



# Report to the Governor

FY 2018 Change in Employee Compensation & Benefits Report

*Submitted by Susan E. Buxton, DHR Administrator*



Cover Page Photo. This photograph of the Capitol at sunrise was taken by DHR employee Michelle Peugh on the morning of October 27, 2016, from her office in the Borah Building.

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## PURPOSE OF REPORT

Idaho Code §67-5309C Annual Surveys, Reports and Recommendations requires the Division of Human Resources (DHR) to provide workforce data and total compensation analysis to the Governor and the Legislature for their consideration on an annual basis. The Change in Employee Compensation (CEC) report provides specific recommendations on the salary structure, specific occupational inequity, merit increase, and the employee benefit package. *See generally, Appendix A, Glossary and Appendix B, Six Year Synopsis of State CEC Increase.*

### **State Employee Compensation Philosophy: Idaho Code 67-5309A.**

(1) It is hereby declared to be the intent of the legislature of the State of Idaho that the goal of a total compensation system for state employees shall be to fund a competitive employee compensation and benefit package that will attract qualified applicants to the work force; retain employees who have a commitment to public service excellence; motivate employees to maintain high standards of productivity; and reward employees for outstanding performance.

(2) The foundation for this philosophy recognizes that state government is a service enterprise in which the state work force provides the most critical role for Idaho citizens. Maintaining a competitive compensation system is an integral, necessary and expected cost of providing the delivery of state services and is based on the following compensation standards:

- (a) The state's overall compensation system, which includes both a salary and a benefit component, when taken as a whole, shall be competitive with relevant labor market averages.
- (b) Advancement in pay shall be based on job performance and market changes.
- (c) Pay for performance shall provide faster salary advancement for higher performers based on a merit increase matrix developed by the Division of Human Resources.
- (d) All employees below the state's midpoint market average in a salary range who are meeting expectations in the performance of their jobs shall move through the pay range toward the midpoint market average.

(3) It is hereby declared to be legislative intent that regardless of specific budgetary conditions from year to year, it is vital to fund necessary compensation adjustments each year to maintain market competitiveness in the compensation system. In order to provide this funding commitment in difficult fiscal conditions, it may be necessary to increase revenues, or to prioritize and eliminate certain functions or programs in state government, or to reduce the overall number of state employees in a given year, or any combination of such methods.

## EXECUTIVE SUMMARY

Pursuant to applicable federal and Idaho State law, Title 67 State Government and State Affairs, Chapter 53 Personnel system, DHR administers the state personnel system by establishing statewide policies, procedures, providing support and oversight to 65 state agencies, and administrative support to the Idaho Personnel Commission. As private and public employers

seek to attract and retain qualified and dedicated employees, it is critical for the State to have a sound compensation plan that is externally competitive<sup>1</sup> and meets State statutory requirements. As the economy continues to recover, private and other public sector employers are competing for the same employees the State is trying to recruit and retain. The State has and continues to need employees with skill sets that foster good, efficient government. Good government starts with employees who see their jobs as bettering both government and the private sector in order to establish a positive business climate statewide. DHR has implemented professional training and is putting more professional training opportunities in place for the state workforce to further the goal of good government at all levels.

The Governor and the Legislature have provided salary increases for permanent state employees and covered increased costs of health insurance over the last few years. *Appendix B – Six Year Synopsis of State CEC Increases*. These efforts have been appreciated by the State workforce.

State workforce consists of approximately 25,673 employees - 13,080 classified and 12,593 non-classified employees<sup>2</sup>. A classified employee is any person appointed to or holding a position in any department of the state and subject to the provisions of the merit examination, selection, retention, promotion, and dismissal requirements of Idaho Code Title 67, Chapter 53. *See generally, Appendix C, Agencies with Classified and Non-Classified Employees; Appendix D, Workforce Demographics by County*. A non-classified employee is any person appointed or holding a position that is exempt from Idaho Code Title 67, Chapter 53 and identified in Idaho Code §67-5303 or as defined in some agency-specific statutes. The non-classified employees include board members, elected officials, judges, commissioners, higher education, State Insurance Fund, and temporaries. For purposes of this report, information is categorized by classified employees and general workforce (includes classified and non-classified employees).

## State Job Evaluation Methodology

Per Idaho Code §67-5309B(1), Idaho uses the Hay job evaluation methodology to ensure the classifications of State positions, based on the size and complexity of the job, are placed into the appropriate pay grades. The Hay Group methodology is based on three factors, each of which have sub factors based on the premise that all jobs exist to achieve the purpose of creating value within the organization. The methodology evaluates the value by analyzing and scoring the three following factors:

(1) Know-how - The job requirements a person has to meet in order to deliver the value. Know-how has three dimensions: Practical/Technical knowledge; Planning, Organizing and Integrating (includes managerial) knowledge; and Communicating and Influencing skills.

(2) Problem Solving - The use of know-how to identify, delineate, and resolve problems. Problem Solving measures in two dimensions: Analyzing the thinking environment and analyzing the thinking challenge.

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<sup>1</sup> Externally Competitive: refers to how competitive a business organization's compensation is in relation to its competitors. If an organization pays comparable in total compensation to its competitors, it will have a better chance of recruiting and retaining employees.

<sup>2</sup> These numbers fluctuate.

(3) Accountability - Accountability measures the type and level of value a job can add by analyzing three dimensions: Freedom to Act, Scope, and Impact.

## Compensation Structure

The State of Idaho's compensation structure or pay structure is required to ensure the State is able to maintain salary ranges for all job classifications comparable to public and private employers. Idaho's salary structure consists of 19 pay grades with minimum, policy, and maximum rates. *See Appendix E, FY 2017 Salary Structure.* The breadth of pay grades allows for variations in compensation due to market factors, experience, performance, job complexity, and compensation philosophy in state agencies.

The policy rate, or midpoint, of the pay range is intended to represent the market average, per Idaho Code §67-5309(B) (Idaho Compensation Plan). This statute further requires merit increases to consider an employee's proximity to the policy rate. The policy rate should reflect the market average and be adjusted periodically to ensure the State's salary structure keeps pace with the external market. Adjustments within the market competitive salary structure can then be made to not only ensure external competitiveness, but also internal fairness. *See generally, Appendix F, Classified Employees' Compa-Ratio by Agency.*

Currently, the State's annual average salary for a classified employee is \$44,033. Idaho ranks seventh in average salary in the state government comparator markets consisting of Colorado, Montana, New Mexico, Oregon, Washington, Wyoming and Utah. The State's policy rates are 7% below the eight state governments.

## Performance Management

The State of Idaho Compensation Philosophy calls for performance based increases and adjustments to address market compensation. To better evaluate merit based performance, DHR provides statewide performance management training for supervisors as a component of the DHR Supervisory Academy. A web-based employee evaluation system is also available for State agencies to use. Performance should be a priority driven by the evaluation of performance goals which are set jointly by the supervisor and the employee at the beginning of the evaluation period. The employee's completed performance evaluation is discussed with the employee prior to finalization.

On at least an annual basis, State employees receive an evaluation of overall performance. The employee is rated on four statewide expectations established by the Governor: Promoting Responsible Government, Professionalism, Customer Focus, and Leadership. The State uses four levels of ratings within these expectations: Exemplary, Solid Sustained, Achieves, and Does Not Achieve. Once the evaluation is reviewed and approved by the reviewer, supervisor and employee, the required employee information is electronically submitted to the State Controller's Office for record retention. This transmission eliminates the need for manual data entry of this information, minimizing errors and providing expedient updated information to the employee's record.

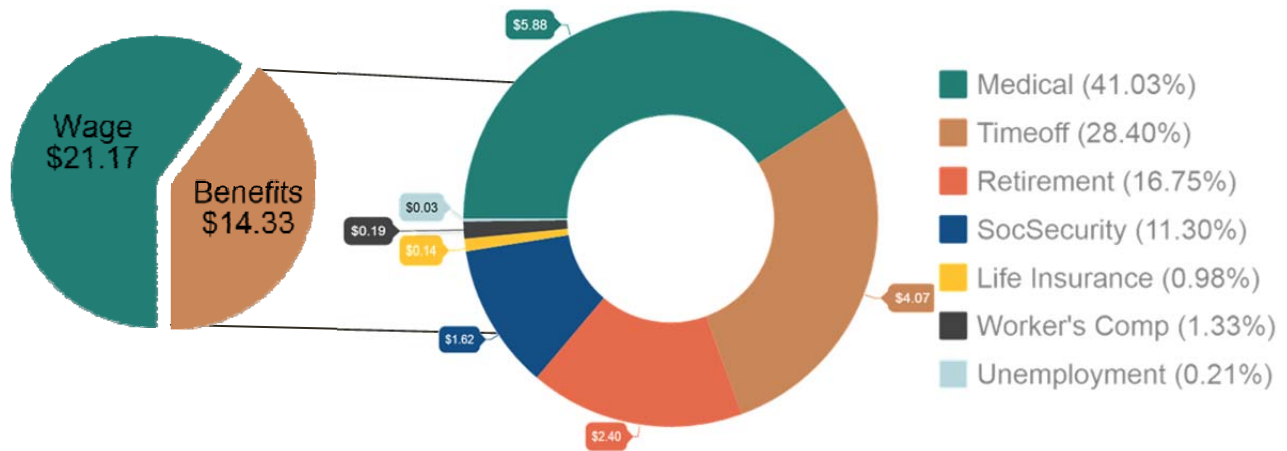


## TOTAL COMPENSATION AND ANALYSIS

Total compensation includes all forms of compensation and benefits.<sup>3</sup> Cash compensation includes base salary, while benefits include health care coverage (for employee and family), disability benefits, life insurance, paid time off, and retirement. The following information provides an overview of State employees’ benefits, salary information, and total compensation.

### Total Compensation

The chart below illustrates the components of a sample employee’s total compensation and the related state paid costs. The costs include wage, medical, paid time off (vacation, sick, and holidays), retirement, social security, life insurance, workers compensation insurance, and unemployment insurance. Since the benefit costs are based on the annual salary of an employee, the costs will increase as the employee’s salary increases.



Health coverage, life insurance, disability, and other benefits for state employees are managed by the Department of Administration, Office of Group Insurance. As a part of their employment, all participating employees receive employer-paid basic life insurance and accidental death and dismemberment coverage. The basic life policy also includes short and long term disability.

In addition to the employer-sponsored coverages, employees have the option of participating in the medical and dental plans. Medical insurance is the most significant dollar value program with an FY2017 projected cost of \$306 million covering nearly 46,000 lives. Premiums for medical insurance are shared by the employer and the over 18,500 employees enrolled for coverage. The employee’s share of medical premiums is based on the plan type and number of eligible family members enrolled for coverage.

At enrollment, employees have the choice of three medical plans to best suit their cost-share preferences and geographic location: Blue Cross of Idaho Preferred Provider Organization (PPO), Traditional or High Deductible plans. Each medical plan provides the same coverage and

<sup>3</sup> A Total Compensation analysis is provided for each employee by login through the State Controller Office’s website. This report itemizes the “real-time” amount the State pays for each employee’s salary, medical, dental, life insurance, disability (long and short term), retirement, worker’s compensation insurance, vacation, sick leave, and paid holidays.



vision benefit with differing levels of out-of-pocket expenses and premium contribution rates. The majority of employees select the PPO plan.

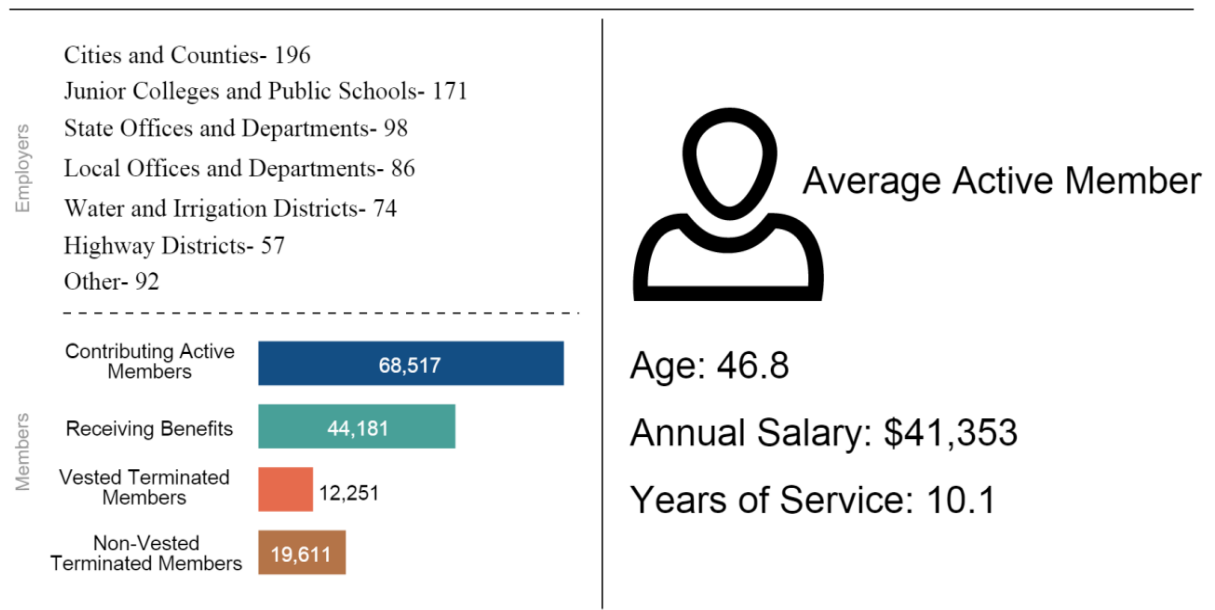
Blue Cross of Idaho contracts with Vision Service Plan (VSP) to provide the vision benefit. Prescription drug coverage is included in the medical plan. The medical plan also includes the Employee Assistance Program (EAP). This program provides confidential, short-term counseling with no copayment required.

Supplemental life insurance is available for state employees and their families to purchase. Voluntary term life insurance allows employees to purchase up to 3 times their annual salaries' worth of coverage, as well as purchase spouse and child coverages.

Flexible Spending Accounts (FSA) are a tax-advantaged benefit allowing employees to pay for eligible health care or day care expenses with pre-tax dollars. Employees do not have to be enrolled in any other health benefit plan to participate in flexible spending.<sup>4</sup>

State employees' retirement benefit or pension plan is managed by the Public Employee Retirement System of Idaho (PERSI). PERSI provides a defined benefit plan<sup>5</sup> designed to provide secure, long-term retirement benefits for career public service employees. PERSI funds are separate from all public monies or funds of the State. Funding is provided from contributions from employees, employers and investment income.

As of June 30, 2016, there were 774 contributing employers with a total of 144,560 members.<sup>6</sup> A breakdown of this data is illustrated below.



<sup>4</sup> State employee group insurance benefit information provided by the Office on Group Insurance – Dept. of Administration.

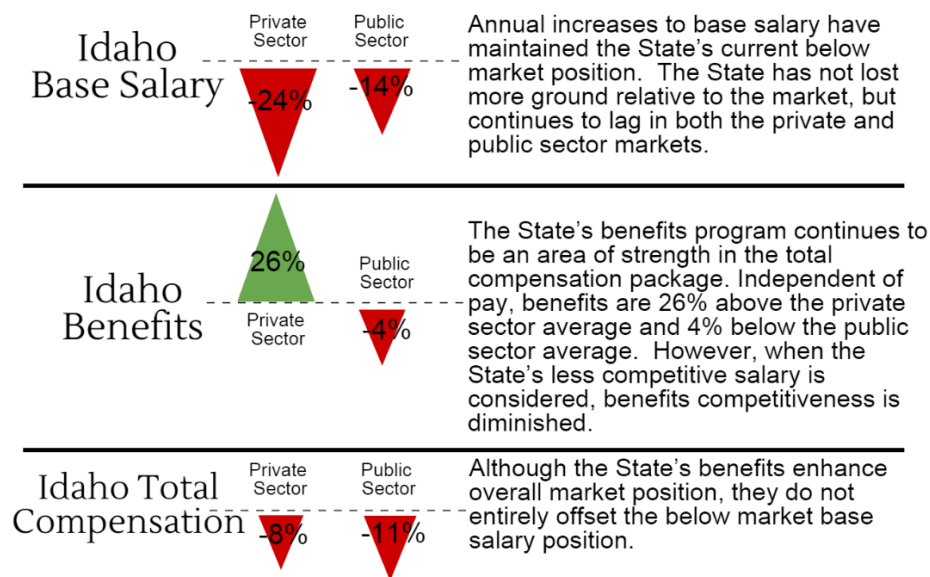
<sup>5</sup> Defined Benefit Plan is a type of pension plan in which an employer/sponsor promises a specified monthly benefit on retirement that is predetermined by a formula based on the employee's earnings history, and tenure of service and age, rather than depending directly on individual investment returns.

<sup>6</sup> Retirement information provided by the Public Employee Retirement System of Idaho (PERSI).

## Total Compensation Analysis

DHR contracts with the Korn Ferry Hay Group (KFHG), a global HR consulting firm, to perform the State’s total compensation study. The analysis compared the value of the total compensation package provided to State employees against similar workforce structures in other states and private companies. The analysis included both the cost and the value of the total compensation (the plan design and different elements provided to the employee) for classified employees. This approach provides a holistic view to determine if the State, as an employer, is competitive to the market. KFHG uses the salary and market data results provided by DHR<sup>7</sup> combined with KFHG data.<sup>8</sup> See generally, Appendix G, *Hay Benefits Analysis & Total Compensation Executive Summary*.

The State’s total compensation package is below market average when compared to both the private sector (general market) and public sector markets. Based on the market data sources used for the analysis, the state policy rate is 20% below the private sector (general) market average and 7% below the public sector market average. The average annual salary for a classified state employee of \$44,033 is approximately 24% below the private sector market average and 14% below the public sector market average, as displayed in the chart below.



## Korn Ferry Hay Group (KFHG) General Market Update

According to KFHG’s 2016 Compensation Report – General Market, nationwide 95% of companies increased salaries for at least some employees. The total salary increases reported are 3% at all employee levels. Companies also reported a salary increase forecast of 3% for the next salary review period. KFHG’s report consists of nearly 700 organizations, primarily private sector.

<sup>7</sup> The data includes Idaho salary survey results from Western Management Group, Milliman Health, Milliman Management Professional Survey, Milliman IT, and the National Compensation Association of State Governments (NCASG), see also Idaho Code §67-5309C.

<sup>8</sup> Appendix H: Hay Total Compensation Analysis Methodology and Market Sources.

Salary structure increases for the general market were 2% at the median for the most recent annual cycle and are forecast to be 2% in the next annual cycle.

Companies in KFHG's survey also reported a high prevalence of short-term incentives (94%); however, incentives do not extend to all employee levels, with 97% reporting incentives for middle and senior management, while only 74% reporting incentives for clerical or operation roles.

Companies in the general market are experiencing a scarcity of candidates for particular job families, including: Information Technology (42%) and Engineering (34%). However, companies are also reporting a surplus of candidates in Administration/Support (70%) and Call Center/Customer Service (27%). The average total turnover is 17.2%, while voluntary turnover is 11.9%. Job families with the highest turnover are Production (26%), Sales (24%), IT (21%) and Engineering (20%).

In the area of benefits, companies in the general market are exploring ways to optimize the value of their benefit programs to meet the needs of a changing workforce. Providing employees a meaningful choice of benefits which allows an employee to purchase the level of benefits needed and opt out if desired, is critical to retaining talent. The prevalence of defined benefit retirement programs in the general market nationally continues to decline with only 20% of such programs. A higher prevalence of defined benefit retirement programs exists in the public sector where a well-managed pension program, like PERSI, can be cost effective. Defined benefit programs do not achieve a good balance between retirement security and portability to the same extent defined contribution programs do in the private sector.

Many general market companies are also implementing non-financial programs to attract and retain employees such as flex time work arrangements. 56% of companies report flexible work hours. The most prevalent offering is a 5 day work week with flexible hours (66%) followed by a four day work week with increased hours per day (22%). Work from home policies are also increasing for jobs that are well-suited to virtual work. Flex time policies are not typically one size fits all, as the needs of the business, as well as individual performance, must be considered before implementing such a policy.

KFHG has also published research on the Future of Work and Reward, collecting data from Fortune magazine's "Most Admired Companies" surveyed by KFHG and through interviews with leaders of over 700 organizations. The research findings include:

- Organizations need to focus on the changing nature of work in order to be successful. Workforce planning, assessing the capability needs of the business and leaders and what it will take to attract and retain talent in the future, were key areas of action.
- Transparency and fairness in rewards was of vital interest to leaders as well as employees. Perceptions of employee fairness in pay systems becomes problematic when regular employees, contractors and part-time employees, whose pay may be determined in different way, work side by side or together on projects.

- With the uncertainty of political support of the Affordable Care Act (ACA) employers are not considering substantial changes to what they offer, at least in the short term.
- A variety of emerging benefits are being considered to attract and retain employees, including paid parental leave, student loan repayment, wellness, and fitness benefits.
- The changing work environment, where technology is allowing greater worker mobility, is creating challenges for companies to develop applicable and consistent policies.

At the present time, DHR is reworking the telecommuting policy to balance the desire for reasonable and responsible flexibility with the need for accurate record keeping, productivity, and efficient public service.

## **DHR STATEWIDE INITIATIVES**

### **IT Classification Project**

In an effort to modernize and consolidate the current 44 IT classifications, the Division of Human Resources contracted with Korn Ferry Hay Group (KFHG) to conduct a comprehensive review of the current IT structure and make recommendations for changes to simplify and modernize the classifications into functional IT areas. Salary review was not included in the scope of this project. IT Administrators and Human Resource representatives from the Idaho Department of Health and Welfare; Idaho Department of Fish and Game; Idaho Department of Transportation; Idaho Department of Labor and the Idaho Tax Commission were engaged in the overall review. KFHG developed six IT job families consisting of 28 consolidated IT positions. The Division is currently working with IT leaders from the previously-mentioned agencies to develop new classification specifications and related examinations for the 28 positions. This work is anticipated to be completed in the Spring of 2017.

### **Fair Labor Standards Act (FLSA)**

The Fair Labor Standards Act (FLSA) requires that non-exempt employees receive overtime pay at one and one-half times the employee's regular rate of pay for all hours worked above forty (40) hours in a work week. In 2014, the U.S. Department of Labor published a Notice of Proposed rulemaking to revise FLSA. In May of 2016, the Final Rule was released which increased the minimum salary level for exempt employees from \$455 per week (\$23,660 annually) up to \$913 per week (\$47,476 annually) and would be effective December 1, 2016. The Final Rule also established an automatic updating mechanism to adjust the minimum salary level every three years. The first automatic increase is to occur on January 1, 2020.

In May of 2016, the Division of Human Resources (DHR), in collaboration with the Division of Financial Management (DFM) and the State Controller's Office (SCO), worked to assess the impact on our state workforce and plan accordingly. Initially, over 1900 employees were coded as administrative, professional, or executive exempt and making under \$913 per week. DHR and SCO met with State Agencies to review the federal requirements.

On November 22, 2016, the court in Nevada v. United States Department of Labor, Civil Action No. 4:16-CV-00731, 2016 U.S. Dist. LEXIS 162048, issued a nationwide preliminary injunction on implementation of the U.S. Department of Labor's new overtime rule. For now, all state agencies were instructed to suspend actions to move exempt employees to non-exempt FLSA status.

### **Specific Occupational Inequity - Payline Exception Review**

Per Idaho Code 67-5309(B), the payline exception report identifies classifications that have been requested by state agencies to have a temporary assignment to a pay grade in excess of the pay grade allocated to the classification. These positions have been identified as hard to fill and retain due to salary issues. The agency requests for positions to be placed on payline exception require approval by the DHR Administrator and the positions on the payline exception are reviewed annually by DHR to determine their status on the report. The following classifications were reviewed and re-factored by DHR using the Hay methodology, removing them from payline exception: Building Safety Inspector/Advisor; ISP Sergeant; ISP Specialist; ISP Trooper; Nurse, Licensed Practical; Nurse, Registered; Nurse, Registered Manager; and Nurse, Registered Senior.

Actuary and Strategic Business Analyst classifications were removed from payline exception and archived due to no incumbents. The other classifications on the report were reviewed and recommended to stay on payline exception. *See Appendix I – Payline Exception/ Specific Occupational Inequities.*

It is critical for DHR to assist agencies in the analysis of hard to fill, hard to retain classifications. This promotes a statewide and consistent approach, ensuring the State's compensation philosophy is maintained and applied consistently.

### **Professional Training**

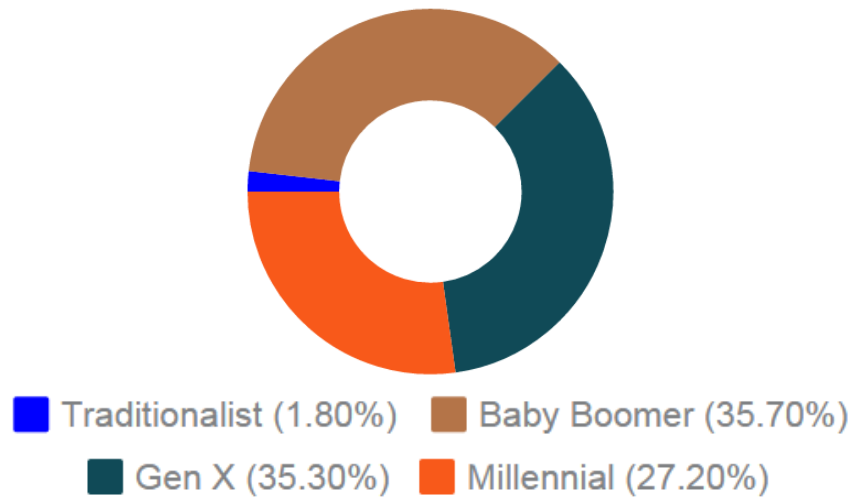
DHR provides a three-day Supervisory Academy training for State agency supervisors. This training provides education and information on human resource matters with a focus on state statutes, rules, regulations, and policies. Additionally, DHR has added statewide HR training forums for agencies, providing discussion and information on human resources management best practices relevant law and policy, and Crucial Conversations© classes. State agencies may also request specific agency training from DHR. Presently, all slots for the Supervisory Academy and Crucial Conversations© are filled. DHR is in the process of hiring another trainer to address this demand.

In July 2016, DHR worked with Idaho Career & Technical Education (CTE) to transition the administration of the Certified Public Manager Program (CPM) and the Health Matters Wellness Program back to DHR. Though funded by DHR, these programs had been administered through CTE for the past nine years. The 300-hour CPM Program provides an educational opportunity for state employees to become nationally certified and recognized as Certified Public Managers. The Health Matters Wellness Program promotes healthy behaviors and provides state employees with credible wellness resources and opportunities via a website, blog, Facebook page, and twice monthly wellness e-newsletters. This program was not connected to ThriveIdaho nor to the Office of Group Insurance.

## WORKFORCE DEMOGRAPHICS

### Impact of a Changing Workforce: The Generations

According to the US Bureau of Labor Statistics (BLS) 2015, three generations currently represent about 97 percent of the US workforce: Baby Boomers, Generation X, and Millennials. In 2015, Millennials became the largest generation in the workforce. By 2020, Millennials will dominate the workforce of the future and fill more roles and positions of retired Baby Boomers than Generation Xers. The total workforce of the State of Idaho reflects 1.8% Traditionalists<sup>9</sup>, 35.7% Baby Boomers, 35.3% Gen X and 27.2% Millennials.



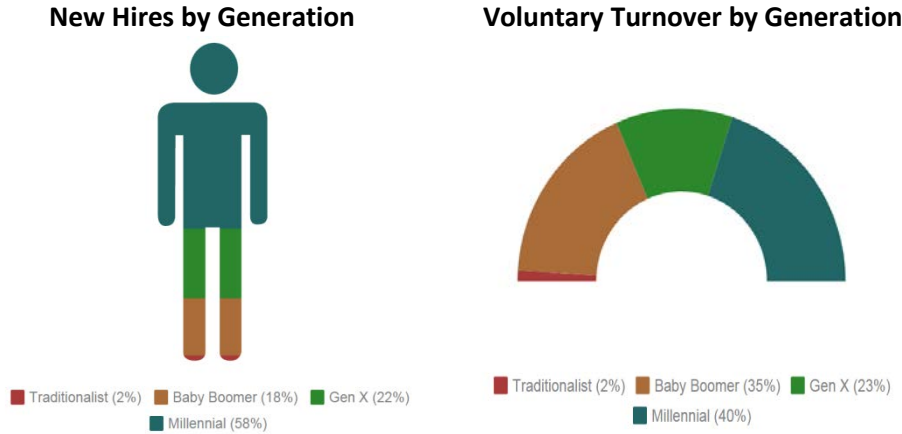
The generational change has shifted with retirements and other exiting employees. Understanding the generational workforce is essential to recruiting, managing, and retaining state employees.

Traditionalists (born 1933-1946) prefer: to be active, involved, and appreciate opportunities to share their knowledge and experience; Baby Boomers (born 1947-1964) prefer: to be challenged, like to multi-task, and they work well with others; Gen X (born 1965-1979): appreciate candid perspective, feedback and flexible work arrangements; and, Millennials (born 1980-2000) prefer: to use technology and social media, desire feedback often, and flexibility.

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<sup>9</sup> Traditionalists make up less than 3% of the U.S. Workforce.

The charts below depict the actual breakdown by generation of the state employee, illustrating the need to understand and support generational preferences in order to recruit and retain the workforce. *See generally, Appendix J, Classified New Hires by Occupational Group and Average Age.*



When considering retention of employees by generation, the top motivators for each group are similar. Each year, the Society for Human Resource Management (SHRM) completes a job satisfaction and engagement report<sup>10</sup> that outlines workplace factors that contribute to satisfaction and engagement. According to that report, the top two contributors that are important for job satisfaction for all generations is the respectful treatment of all and overall compensation and pay. For both Millennials and Gen X, the top three is completed with overall benefits. Baby Boomers round their top three out with trust between employees and senior management and the organization’s financial stability.

### Workforce Turnover Statistics – Classified Employees

In FY 2016, 1,861 classified employees “exited” state employment. *See Appendix K, Classified Employees Total Separation by Agency FY2014-FY2016; Appendix L, Classified Employees Voluntary Separations by Agency FY2013-FY2016; Appendix M, Classified Employees Involuntary Separations by Agency FY2013-FY2016.* The following chart reflects the reason these employees left based on the code entered by state agencies when processing an employee’s final paperwork. This information is entered into the State Controller’s Office - Employee Information System (EIS).

The top four reason codes entered were: Personal 42%, Retirement 21%, Private Sector Job 11%, and Transfer to Another Agency 7%. Although a transfer to another agency is not considered separation of state service, it is treated as such statistically when processing the employee’s job change.

<sup>10</sup> Society for Human Resource Management (2016). Employee Job Satisfaction and Engagement: Revitalizing a Changing Workforce, Alexandria, VA.



Reason for Leaving Code	Percentage of Employees
Termination	2%
Failure to Complete Entrance Probation	5%
Retirement	21%
Medical Retirement	0.5%
Layoff	0.4%
Layoff/Shortage	0.5%
Layoff/Medical	3%
Transfer to Another Agency	7.2%
State Job (Not in Idaho)	0.7%
Personal	42%
Federal Job	2%
County Job	2%
City Job	1%
School District Job	0.8%
Private Sector Job	11%
Military	0.1%
Death	0.8%

### Employee Exit Survey Results

When an employee voluntarily leaves state employment, they have the option of completing an online exit survey. This survey is available to the total workforce (classified and non-classified employees). 244 employees responded to the voluntary separation survey request. In FY16 DHR is working on simplifying and promoting the survey in an effort to increase exit survey participation.

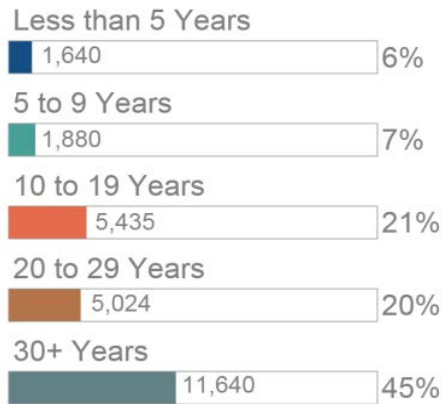
The information below reflects the top three results of the responses to the question of “why did you leave state employment”.

REASONS	PERCENTAGE OF RESPONDENTS
1. PAY	46%
2. RETIREMENT	34%
3. FAMILY REASONS	29%

### Total Workforce Retirement

In FY 2016, the number of State employees retiring, 631 individuals, represents 2.4% of the State’s total workforce. The retirement projections for the next ten years represent 13% of the workforce. *See Appendix N, Retirement Forecast Calendar Years 2016 to 2025 and Appendix O, Retirement Classified Turnover FY2016.* DHR is assisting State agencies with succession planning so that these expected vacant positions may be filled by qualified internal applicants, as appropriate.<sup>11</sup> The chart below reflects the retirement percentages for FY2016 and the projected retirements in the future.

### Projected Retirements



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<sup>11</sup> Idaho Code §67-5309(g)

## DHR RECOMMENDATIONS FOR FY2018

Per Idaho Code §67-5309C, DHR must include recommendations on the following components: salary structure adjustment, specific occupational inequity (pay line exception), merit increase, and the employee benefit package.

1) **Salary structure adjustment:** To more accurately align itself with the market, DHR recommends the policy level be adjusted to reflect the midpoint market average as identified in I.C. §67-5309A(2)(d). Based on the salary market analysis results and the strength of the State's benefits programs, the State should target a policy rate that is 10% below the private sector average and within 5% of the public sector; however, it is not reasonable to achieve this target in one year.

For FY 2018, DHR recommends at least a 3% increase to the entire pay structure in order to move toward a target policy rate 10% below the private sector. DHR recommends an overall structure move to keep the integrity of the current pay structure of 70% to 125%.

The estimated fiscal impact of this 3% change is \$129,500 which is the cost to bring 394 employees up to the new minimum of the salary ranges.

A 2% structure increase would have an estimated fiscal impact of \$68,500 for 107 employees and a 4% structure increase would have an estimated fiscal impact of \$306,200 for 506 employees.

2) **Specific occupational inequity/payline exception component:** DHR recommends continuing with the job classifications that are currently on pay line exception to address specific recruitment or retention issues.

3) **Merit increase component:** DHR recommends at least a 3% increase for the salary component of state employee compensation administered in accordance with the State's merit based pay philosophy, set forth in statute. This increase should be considered an appropriate step in an effort to keep pace with current market rate increases. A 3% increase would amount to an estimated cost of \$18,059,900 to the General Fund and an estimated cost of \$21,741,700 in other funds, for a total of \$39,801,600.

4) **Employee benefit package:** The State's employee benefit package continues to be a key component of the State's total compensation package for employees. DHR recommends that the State continue to maintain the current funding for the employer cost of group insurance and retirement benefits.

## Appendix A- Glossary

### **Compa-ratio:**

The relationship between an employee's salary and the policy pay rate (market) of their job. For example: If an employee in pay grade K earns \$21.22 per hour, and the policy pay rate (market) for pay grade K is \$24.65, their compa-ratio is 86% (hourly rate divided by policy rate equals compa-ratio).

### **Classified Employee:**

Any person appointed to or holding a position in any department of the State of Idaho and subject to the provisions of the merit examination, selection, retention, promotion and dismissal requirements of Idaho Code, Title 67, Chapter 53.

### **Job Classification:**

Describes the duties, required knowledge, skills and abilities, and minimum qualifications.

### **Maximum Pay Rate:**

Highest allowable salary of the pay grade.

### **Minimum Pay Rate:**

Lowest allowable salary of the pay grade.

### **Non-classified Employee:**

Any person appointed to or holding a position in any department of the State of Idaho and is exempt from Idaho Code, Title 67, Chapter 53 (merit examination, selection, retention, promotion and dismissal requirements) but subject to Idaho Code, Title 59, Chapter 16.

### **Pay Grade:**

Alphabetical indicator of pay range assigned to each job classification.

### **Payline Exception:**

A temporary assignment of a higher pay grade to a classification in order to address market related recruitment or retention issues.

### **Pay Range:**

The span between the minimum and maximum salaries.

### **Policy Pay Rate:**

The salary relative to the external labor market as determined by salary surveys of similar jobs.

### **Salary Structure:**

A chart listing the 19 pay grades and associated pay ranges (See Appendix C).

### **Salary Survey:**

Survey conducted with private and public employers to determine pay levels for specific jobs.

### **Specific Occupational Inequity:**

See Payline Exception.

### **Temporary Employee:**

A non-classified employee limited to working no more than one thousand three hundred eighty-five (1,385) hours during a twelve month period for any one agency (Ref. Idaho Code 67-5302(33)).



## Appendix B- Six Year Synopsis of State CEC Increases

### SYNOPSIS OF STATE EMPLOYEE SALARY INCREASES FY2012 – FY2017

<b>Fiscal</b>	<b>DHR</b>	<b>Executive Budget</b>	<b><u>Legislative Action</u></b>
<b><u>Year</u></b>	<b><u>Recommendation</u></b>	<b><u>Recommendation</u></b>	
FY 17	DHR recommended to maintain the current salary structure for FY17, continuation of job classifications on pay line exception. Budget a 3% merit based salary increase. State to maintain funding for the employer cost of group insurance benefits.	The Governor recommended a 3% merit increase for permanent state employees and the Legislature's Joint CEC Committee also recommended a 3% ongoing merit based increase, not including an increase for group and temporary positions. 3% increase for judges and other appointed officials which will require statutory changes. Recommends funding for a 9.3% increase for the cost of employer paid health insurance.	The Legislature authorized and funded a 3% merit increase for permanent employees to be distributed at the discretion of agency heads. Costs to cover the 27 <sup>th</sup> payroll that will occur in FY2017 and costs to cover benefit cost increases.
FY 16	Maintain the current salary structure for FY16. DHR recommends continuation of job classifications on pay line exception. Budget a 3% merit based salary increase. State to fund the estimated increase in the cost of group insurance benefits.	The Governor recommended a 3% salary increase for permanent state employees and the Legislature's Joint CEC Committee also recommended a 3% ongoing merit based increase, to be distributed at the discretion of each agency head. The Committee also directed Human Resources to change the minimum amounts on the classified pay schedule from 68% of policy to 70% of policy. JFAC funded the recommendations.	The Legislature authorized and funded a 3% increase in the annual salary for appointed officials, as well, effective July 1, 2015. The salary for each of the three public utilities commissioners, four tax commissioners, and three industrial commissioners was statutorily increased by 3%. Employer health insurance premiums will increase \$650 per employee (a 6% increase over FY 2015). The increase is paid by the employer only.

FY15	<p>Maintain the current salary structure for FY15 and focus resources on compensation issues such as salary compression, salary inequities, recruitment of skilled applicants, and retention of high performing employees.</p> <p>Budget a 2% merit based salary increase.</p>	<p>No increase in funding for employee compensation. Fund personnel benefit cost adjustments.</p>	<p>Adopted the Legislature's Joint CEC Committee recommendations:</p> <p>Fund an overall 2% increase for state employees – 1% ongoing and 1% one-time, based on merit.</p> <p>The Legislature continues to strongly encourage the use of salary savings to compensate employees. Approved adjusting the pay structure upwards by 1%.</p> <p>The Legislature funded a 15.9% increase in the employer cost of health insurance.</p>
FY14	<p>Two year plan with options: FY 2014</p> <p>Option 1: if funding is available, a percentage be appropriated to agencies' personnel budgets and also allow directors to use salary savings to address various compensation challenges.</p> <p>Option 2: if merit increases are not appropriated, allow agencies to use existing salary savings to address their specific compensation challenges.</p> <p>FY 2015</p> <p>Propose to move the salary structure towards market. If funding is available, appropriate increases to agencies' personnel budgets and allow directors to use salary savings to address compensation challenges.</p>	<p>No increase in funding for employee compensation.</p>	<p>No increase in funding for employee compensation. However, each agency's appropriation bill included the following language that "strongly encourages agency directors, institution executives and the Division of Financial Management to approve the use of salary savings to provide either one-time or ongoing merit increases for deserving employees, and also target employees who are below policy compensation."</p> <p>The Legislature funded a 6% increase in the cost of employee health insurance and a 9% increase for the employers' share of PERSI. Employees' contribution rates to PERSI increased by 9% as well.</p>
FY13	<p>Salaries average 18.6% behind labor market averages.</p> <p>Budget a 3% merit based salary increase. The</p>	<p>Reserve an amount equivalent to a one-time merit based 3% increase to be distributed in two payments if revenues meet projections.</p>	<p>Legislature approved a 2% ongoing increase to all permanent state employees who are performing satisfactorily. Also, agencies were directed to use salary savings, if</p>



proposed increase is intended to retain and move high performing employees closer to policy pay rates.

available, for additional merit pay for permanent and temporary employees.

FY12

Salaries average 15.9% behind labor market averages.

Budget a 3% salary increase to be administered in accordance with the State's merit-based pay philosophy.

No increase in funding for employee compensation. Fund employee benefit costs with reserves to cover premium increase and restoration of a two-month health insurance premium holiday.

No action taken. Governor's recommendation approved. Two months of insurance premiums were deducted from Group Insurance reserves rather than from agency appropriations and employees' paychecks.



## Appendix C- Agencies with Classified and Non-Classified Employees

### AGENCIES WITH ONE OR MORE CLASSIFIED EMPLOYEES

<ul style="list-style-type: none"> <li>• Accountancy Board*</li> <li>• Administration, Dept of*</li> <li>• Agriculture, Dept of*</li> <li>• Boise State University*</li> <li>• Brand Inspector*</li> <li>• Building Safety, Division of*</li> <li>• Central Health District IV*</li> <li>• Comm -Blind and Visually Impaired*</li> <li>• Commerce, Dept of*</li> <li>• Commission for Libraries*</li> <li>• Commission on Aging*</li> <li>• Correction, Dept of*</li> <li>• Dentistry Board*</li> <li>• Eastern Idaho Health District VII*</li> <li>• Eastern Idaho Technical College*</li> <li>• Education Board*</li> <li>• Endowment Fund Investment Board*</li> <li>• Environmental Quality, Dept of*</li> <li>• Finance, Department of*</li> <li>• Financial Management, Division of*</li> <li>• Fish and Game, Dept of*</li> <li>• Health and Welfare, Dept of*</li> </ul>	<ul style="list-style-type: none"> <li>• Hispanic Commission*</li> <li>• Historical Society*</li> <li>• Human Resources, Division of*</li> <li>• Idaho State University*</li> <li>• Independent Living Council*</li> <li>• Industrial Commission*</li> <li>• Insurance, Dept of*</li> <li>• Juvenile Corrections, Dept of*</li> <li>• Labor, Dept of*</li> <li>• Lands, Dept of*</li> <li>• Lava Hot Springs Foundation*</li> <li>• Lewis - Clark State College*</li> <li>• Liquor Division*</li> <li>• Lottery*</li> <li>• Medicine Board*</li> <li>• North Central Health District II*</li> <li>• Nursing Board*</li> <li>• Occupational Licenses*</li> <li>• Outfitters and Guides Licensing Board*</li> <li>• Panhandle Health District I*</li> <li>• Pardons and Parole Commission*</li> </ul>	<ul style="list-style-type: none"> <li>• Parks and Recreation, Dept of*</li> <li>• PERSI*</li> <li>• Pharmacy Board*</li> <li>• Prof Engineers and Land Surveyors Board*</li> <li>• Professional -Technical Education*</li> <li>• Public Defense Commission*</li> <li>• Public Television*</li> <li>• Public Utilities Commission*</li> <li>• Racing Commission*</li> <li>• Real Estate Commission*</li> <li>• Soil and Water Conservation*</li> <li>• South Central Health District V*</li> <li>• Southeast Health District VI*</li> <li>• Southwest Health District III*</li> <li>• State Police*</li> <li>• Tax Appeals Board*</li> <li>• Tax Commission*</li> <li>• Transportation, Dept of*</li> <li>• Veterans Services, Division of*</li> <li>• Veterinary Medicine Board*</li> <li>• Vocational Rehabilitation, Division of*</li> <li>• Water Resources, Dept of*</li> </ul>
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### AGENCIES WITH ONLY NON-CLASSIFIED EMPLOYEES

<ul style="list-style-type: none"> <li>• Arts, Commission on the*</li> <li>• Attorney General, Office of the</li> <li>• Controller, Office of the State</li> <li>• Correctional Industries*</li> <li>• Drug Policy, Office of*</li> <li>• Energy Resources, Office of*</li> <li>• Governor, Office of the</li> </ul>	<ul style="list-style-type: none"> <li>• House of Representatives</li> <li>• Judicial Branch</li> <li>• Legislative Services Office</li> <li>• Lieutenant Governor, Office of</li> <li>• Military Division*</li> <li>• Office of Energy Resources*</li> <li>• Secretary of State, Office of</li> </ul>	<ul style="list-style-type: none"> <li>• Senate</li> <li>• Species Conservation, Office of*</li> <li>• State Appellate Public Defender*</li> <li>• State Insurance Fund</li> <li>• Supt of Public Instruction</li> <li>• Treasurer, Office of the State</li> <li>• University of Idaho*</li> </ul>
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**\*Executive Branch Agencies**

**Total Number of State Agencies = 86 (Classified 65; Non-Classified 2)**



## Appendix D- Workforce Demographics by County

Work County	Employee Count
ADA	11,153
ADAMS	17
BANNOCK	2,817
BEAR LAKE	28
BENEWAH	63
BINGHAM	465
BLAINE	49
BOISE	20
BONNER	172
BONNEVILLE	1,052
BOUNDARY	51
BUTTE	10
CAMAS	10
CANYON	828
CARIBOU	24
CASSIA	126
CLARK	13
CLEARWATER	371
CUSTER	57
ELMORE	54
FRANKLIN	22
FREMONT	249
GEM	11
GOODING	31
IDAHO	142
JEFFERSON	112
JEROME	98
KOOTENAI	984
LATAH	3,925
LEMHI	121
LEWIS	50
LINCOLN	82
MADISON	65
MINIDOKA	35
NEZPERCE	1,638
ONEIDA	14
OUT-OF-STATE	6
OWYHEE	39
PAYETTE	50
POWER	38
SHOSHONE	112
TETON	20
TWIN FALLS	460
VALLEY	89
WASHINGTON	12
Total (As of 11/2016)	25,785



Appendix E- FY 2017 Salary Structure

**FY 2017 Compensation Schedule - Effective 6/05/2016**

Pay Grade	Minimum Points	Grade Points	Maximum Points	Hourly			Annual		
				Minimum	Policy	Maximum	Minimum	Policy	Maximum
D	Below 110 Points			\$7.25	\$10.16	\$12.70	\$15,080	\$21,133	\$26,416
E	110	119	130	\$7.95	\$11.35	\$14.19	\$16,536	\$23,608	\$29,515
F	131	142	154	\$8.95	\$12.78	\$15.98	\$18,616	\$26,582	\$33,238
G	155	169	184	\$10.16	\$14.51	\$18.14	\$21,133	\$30,181	\$37,731
H	185	201	219	\$11.70	\$16.71	\$20.89	\$24,336	\$34,757	\$43,451
I	220	240	262	\$13.66	\$19.52	\$24.40	\$28,413	\$40,602	\$50,752
J	263	286	312	\$15.41	\$22.01	\$27.51	\$32,053	\$45,781	\$57,221
K	313	341	372	\$17.26	\$24.65	\$30.81	\$35,901	\$51,272	\$64,085
L	373	406	443	\$19.48	\$27.83	\$34.79	\$40,518	\$57,886	\$72,363
M	444	485	528	\$22.02	\$31.46	\$39.33	\$45,802	\$65,437	\$81,806
N	529	578	630	\$24.33	\$34.76	\$43.45	\$50,606	\$72,301	\$90,376
O	631	688	750	\$26.37	\$37.67	\$47.09	\$54,850	\$78,354	\$97,947
P	751	828	904	\$28.83	\$41.19	\$51.49	\$59,966	\$85,675	\$107,099
Q	905	998	1090	\$31.74	\$45.34	\$56.68	\$66,019	\$94,307	\$117,894
R	1091	1176	1292	\$35.21	\$50.30	\$62.88	\$73,237	\$104,624	\$130,790
S	1293	1399	1531	\$39.49	\$56.42	\$70.53	\$82,139	\$117,354	\$146,702
T	1532	1665	1822	\$44.60	\$63.72	\$79.65	\$92,768	\$132,538	\$165,672
U	1823	1980	2166	\$50.69	\$72.41	\$90.51	\$105,435	\$150,613	\$188,261
V	2167	2354	2575	\$57.94	\$82.77	\$103.46	\$120,515	\$172,162	\$215,197





## Appendix F- Classified Employees' Compa-Ratio by Agency

Agency Name	Compa-Ratio 10/16/14	Compa-Ratio 10/15/15	Compa-Ratio 11/18/16	Count of Employee	Average Pay Rate	Average Policy Rate	Avg Yrs of Service
ACCOUNTANCY, STATE BOARD OF	95.4%	96.5%	93%	3	\$15.97	\$16.91	12.4
ADMINISTRATION, DEPARTMENT OF	94.4%	97.0%	99%	115	\$23.51	\$23.83	10.2
AGING, COMMISSION ON	94.0%	97.4%	99%	12	\$27.52	\$27.60	12.7
AGRICULTURE, DEPARTMENT OF	83.2%	84.6%	85%	177	\$22.52	\$26.31	10.2
BLIND AND VISUALLY IMPARED, COMMISSION FOR THE	86.8%	88.4%	91%	39	\$21.35	\$23.54	11.2
BOISE STATE UNIVERSITY	81.0%	85.4%	87%	557	\$14.99	\$17.27	8.5
BRAND INSPECTOR, STATE	84.0%	86.0%	88%	33	\$17.09	\$19.44	15.3
BUILDING SAFETY, DIVISION OF	89.0%	89.6%	91%	121	\$22.37	\$24.47	9.6
COMMERCE, DEPARTMENT OF	85.1%	88.9%	92%	34	\$25.08	\$27.11	8.6
CONSERVATION , SOIL AND WATER COMMISSION	84.5%	88.7%	92%	16	\$23.85	\$26.23	13.7
CORRECTION, DEPARTMENT OF	76.9%	80.3%	84%	1,907	\$19.13	\$22.69	7.5
DENTISTRY, BOARD OF	96.3%	100.3%	103%	2	\$15.02	\$14.51	3.6
EASTERN IDAHO TECHNICAL COLLEGE	83.4%	87.5%	90%	36	\$15.48	\$17.52	8.7
EDUCATION, STATE BOARD OF	79.9%	82.4%	83%	4	\$16.23	\$19.52	1.4
ENDOWMENT FUND INVESTMENT BD	109.8%	114.1%	114%	2	\$26.82	\$23.68	8.4
ENGINEERS AND LAND SURVEYORS, PROFESSIONAL BOARD OF	104.3%	108.7%	112%	2	\$20.35	\$18.12	16.3
ENVIRONMENTAL QUALITY, DEPARTMENT OF	82.2%	84.7%	87%	337	\$26.58	\$30.50	12.1
FINANCE, DEPARTMENT OF	94.3%	99.4%	102%	62	\$30.80	\$29.78	9.7
FISH AND GAME, DEPARTMENT OF	87.3%	91.0%	93%	523	\$25.67	\$27.32	14.4
HEALTH AND WELFARE, DEPARTMENT OF	83.2%	85.7%	88%	2,721	\$22.58	\$25.52	8.9
HEALTH DISTRICT 1 (PANHANDLE)	87.6%	89.4%	90%	115	\$21.16	\$23.38	6.8
HEALTH DISTRICT 2 (NORTH CENTRAL)	88.8%	91.1%	94%	47	\$22.12	\$23.70	9.9
HEALTH DISTRICT 3 (SOUTHWEST)	90.7%	90.7%	93%	92	\$20.26	\$21.86	8.9
HEALTH DISTRICT 4 (CENTRAL)	92.5%	92.7%	93%	108	\$21.22	\$22.65	8.7
HEALTH DISTRICT 5 (SOUTH CENTRAL)	91.0%	90.2%	92%	73	\$20.21	\$21.71	9.6

Appendix F- Classified Employees' Compa-Ratio by Agency (Cont'd.)

Agency Name	Compa-Ratio 10/16/14	Compa-Ratio 10/15/15	Compa-Ratio 11/18/16	Count of Employee	Average Pay Rate	Average Policy Rate	Avg Yrs of Service
HEALTH DISTRICT 6 (SOUTHEASTERN)	87.6%	89.4%	91%	73	\$20.73	\$23.00	9.7
HEALTH DISTRICT 7 (EASTERN)	84.8%	85.5%	88%	97	\$21.05	\$23.73	8.3
HISTORICAL SOCIETY, IDAHO STATE	82.7%	83.0%	84%	42	\$20.01	\$23.66	10.0
HUMAN RESOURCES, DIVISION OF	87.9%	91.8%	92%	6	\$30.25	\$32.50	15.3
IDAHO STATE UNIVERSITY	83.5%	85.0%	86%	678	\$14.71	\$17.03	9.9
INDEPENDENT LIVING COUNCIL	76.9%	79.1%	83%	3	\$20.46	\$24.83	11.6
INDUSTRIAL COMMISSION	85.9%	88.2%	90%	74	\$16.96	\$18.92	8.4
INSURANCE, DEPARTMENT OF	84.3%	86.4%	88%	58	\$21.27	\$24.04	9.4
JUVENILE CORRECTIONS, DEPARTMENT OF	82.5%	84.6%	88%	394	\$19.58	\$22.17	9.2
LABOR, DEPARTMENT OF	86.7%	87.6%	89%	514	\$23.27	\$25.66	13.1
LANDS, DEPARTMENT OF	83.2%	86.3%	88%	271	\$24.07	\$27.46	12.1
LAVA HOT SPRINGS FOUNDATION	91.6%	95.1%	100%	12	\$14.92	\$14.80	9.6
LEWIS-CLARK STATE COLLEGE	81.2%	84.4%	86%	127	\$14.24	\$16.58	8.5
LIBRARIES, IDAHO COMMISSION FOR	84.1%	87.3%	91%	34	\$21.44	\$23.50	13.2
LIQUOR DIVISION, IDAHO STATE	85.6%	87.6%	88%	217	\$14.90	\$16.79	7.5
LOTTERY COMMISSION, IDAHO STATE	92.6%	96.9%	100%	7	\$17.74	\$17.73	8.4
MEDICINE, BOARD OF	83.4%	83.9%	92%	9	\$15.47	\$16.85	11.4
NURSING, BOARD OF	93.9%	89.2%	92%	8	\$15.13	\$16.39	11.3
OCCUPATIONAL LICENSES, BUREAU OF	84.2%	86.4%	90%	35	\$18.09	\$20.07	11.8
OUTFITTERS AND GUIDES LICENSING BOARD	88.9%	93.0%	94%	4	\$14.92	\$15.76	10.7
PARDONS AND PAROLE, COMMISSION OF	75.1%	77.6%	81%	31	\$20.35	\$25.34	11.7
PARKS AND RECREATION, DEPARTMENT OF	80.2%	81.4%	83%	150	\$19.70	\$23.46	11.2
PERSI (PUBLIC EMPLOYEE RETIREMENT SYSTEM OF IDAHO)	82.6%	83.1%	85%	54	\$20.28	\$23.41	9.4
PHARMACY, BOARD OF	84.5%	87.2%	88%	12	\$17.91	\$20.39	8.1

Appendix F- Classified Employees' Compa-Ratio by Agency (Cont'd.)

Agency Name	Compa-Ratio 10/16/14	Compa-Ratio 10/15/15	Compa-Ratio 11/18/16	Count of Employee	Average Pay Rate	Average Policy Rate	Avg Yrs of Service
POLICE, IDAHO STATE	96.0%	96.3%	100%	491	\$27.42	\$27.18	11.3
PROFESSIONAL-TECHNICAL EDUCATION, DIVISION OF	94.2%	97.2%	90%	12	\$14.44	\$16.10	7.9
PUBLIC TELEVISION	85.3%	87.9%	89%	60	\$19.86	\$22.20	12.4
PUBLIC UTILITIES COMMISSION	85.4%	87.1%	89%	36	\$24.35	\$27.50	11.3
RACING, STATE COMMISSION	103.5%	93.8%	100%	2	\$19.77	\$19.36	14.7
REAL ESTATE COMMISSION, IDAHO	83.8%	85.5%	90%	9	\$20.94	\$23.23	9.1
STATE PUBLIC DEFENSE COMMISSION		76.8%	80%	1	\$15.53	\$19.52	1.2
TAX APPEALS, BOARD OF	87.2%	90.8%	94%	3	\$26.26	\$28.01	6.9
TAX COMMISSION, IDAHO STATE	81.5%	83.1%	84%	425	\$21.56	\$25.35	11.3
TRANSPORTATION, DEPARTMENT OF	93.9%	95.9%	98%	1,478	\$22.61	\$22.91	13.3
VETERANS SERVICES	88.9%	91.5%	99%	310	\$18.08	\$18.25	7.3
VETERINARY MEDICINE, BOARD OF	79.7%	91.3%	79%	1	\$15.45	\$19.52	3.6
VOCATIONAL REHABILITATION, IDAHO DIVISION OF	79.4%	79.9%	81%	55	\$15.87	\$19.51	9.0
WATER RESOURCES, DEPARTMENT OF	85.1%	87.0%	89%	148	\$25.42	\$28.30	11.2
Total				13,080			





**STATE OF IDAHO  
BENEFITS ANALYSIS &  
TOTAL COMPENSATION  
REVIEW**

**EXECUTIVE SUMMARY**

**NOVEMBER 2016 –  
UPDATE**



## CONTENTS

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## **01 WHY WAS THE STUDY CONDUCTED?**

## WHY WAS THE STUDY CONDUCTED?

**The State of Idaho (the “State”) requested a comprehensive benefits market analysis and a review of the State’s total compensation market position. Specifically, the State asked Hay Group to:**

- Provide a detailed benefits analysis including a review of the competitive position in health care, retirement, death benefits, disability, paid time off (sick leave, vacation and holidays) and other benefits relative to general market organizations in Idaho, as well as Nevada, Oregon, Utah and Washington, and public sector organizations in the West, excluding California;
- Conduct a high level review of the State’s total compensation market position, including benefits and salary, based on salary market data provided by the State; and
- In January of 2016, deliver a report of our key findings on the overall competitiveness of the State’s compensation and benefits program.
- In November of 2016, provide an update on current market trends and determine whether there are any changes to the State’s overall competitiveness.

## WHY WAS THE STUDY CONDUCTED?

### **The findings of the analysis provide the basis for the State to determine:**

- What is the best combination of a salary/benefit mix? How should the State balance being fiscally responsible with maintaining competitiveness in order to attract and retain a quality workforce?
- Where is the State not competitive with the market and what immediate and long-term options should it consider in reorganizing its total compensation mix, in order to position itself as competitive but also fiscally responsible?

## 02 WHAT DOES THE ANALYSIS SHOW?

## WHAT DOES THE ANALYSIS SHOW? TOTAL COMPENSATION

### State vs. Market Average Private and Public Sector

- The State's **total compensation** program is below market average when compared to both the Private Sector (general market) and Public Sector Markets. Below are key findings regarding specific aspects of the State's compensation program:

Pay Component	Idaho vs. Private Sector	Idaho vs. Public Sector	
Base Salary	-24%	-14%	Cash compensation continues to lag both the private and public sector markets
Benefits	14%	-9%	These percentages factor in the influence of the State's less competitive salary. When salary is excluded, benefits are 26% above the private sector average and 4% below the public sector average
Total Compensation	-8%	-11%	The higher benefits program value does not offset the low cash compensation

- **Pay Mix** for State employees varies against the market depending on salary
- **Note:** Only those components of pay provided by the State are included in total compensation. It is common in the private sector to pay annual incentives, which if included would make the State less competitive relative to the Private Sector Market

## WHAT DOES THE ANALYSIS SHOW? TOTAL COMPENSATION – PRIVATE SECTOR

### Total compensation comparison by pay grade – Private sector

Grade	Idaho Employees		Idaho Weighted Salary	Private		Benefits Values			Total Remuneration		
	#	%		Weighted Salary	Idaho % Diff	Idaho	Private	Idaho %	Idaho	Private	Idaho %
V	3	0.1%	\$179,795	\$150,441	20%	\$55,117	\$39,507	40%	\$234,913	\$189,948	24%
R	3	0.1%	\$105,498	\$106,428	-1%	\$41,239	\$33,032	25%	\$146,736	\$139,460	5%
Q	12	0.2%	\$102,365	\$122,346	-16%	\$40,625	\$35,378	15%	\$142,990	\$157,723	-9%
P	28	0.5%	\$83,327	\$120,999	-31%	\$36,242	\$35,179	3%	\$119,569	\$156,178	-23%
O	146	2.6%	\$80,767	\$109,741	-26%	\$35,640	\$33,520	6%	\$116,407	\$143,261	-19%
N	193	3.5%	\$67,670	\$93,762	-28%	\$32,479	\$30,560	6%	\$100,149	\$124,322	-19%
M	473	8.5%	\$60,747	\$79,061	-23%	\$30,805	\$27,794	11%	\$91,551	\$106,856	-14%
L	766	13.8%	\$51,425	\$68,185	-25%	\$28,551	\$25,928	10%	\$79,976	\$94,113	-15%
K	757	13.6%	\$42,934	\$60,155	-29%	\$26,497	\$24,556	8%	\$69,430	\$84,711	-18%
J	116	2.1%	\$40,285	\$51,758	-22%	\$25,856	\$22,810	13%	\$66,141	\$74,568	-11%
I	1404	25.3%	\$33,967	\$44,219	-23%	\$24,328	\$21,449	13%	\$58,295	\$65,668	-11%
H	735	13.2%	\$29,937	\$38,217	-22%	\$23,354	\$20,396	15%	\$53,290	\$58,613	-9%
G	463	8.3%	\$26,331	\$34,957	-25%	\$22,482	\$19,798	14%	\$48,813	\$54,754	-11%
F	223	4.0%	\$23,332	\$31,290	-25%	\$21,757	\$19,124	14%	\$45,089	\$50,415	-11%
E	228	4.1%	\$21,451	\$27,344	-22%	\$21,302	\$18,429	16%	\$42,753	\$45,773	-7%
Overall	5550	100.0%			-24%			14%			-8%

## WHAT DOES THE ANALYSIS SHOW?

### TOTAL COMPENSATION – PUBLIC SECTOR

#### Total compensation comparison by pay grade – Public sector

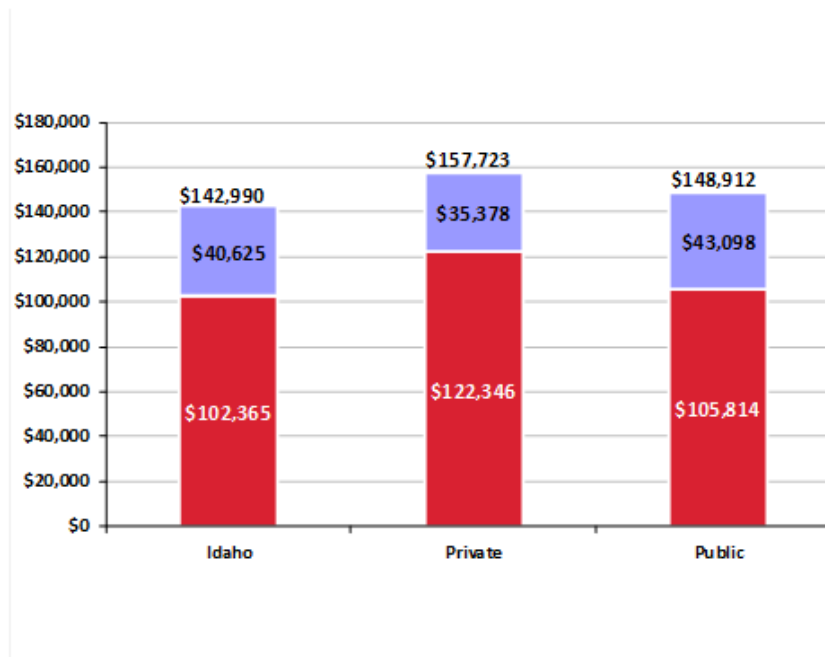
Grade	Idaho Employees		Idaho Weighted Salary	Public		Benefits Values			Total Remuneration		
	#	%		Weighted Salary	Idaho % Diff	Idaho	Public	Idaho % Diff	Idaho	Public	Idaho % Diff
V	3	0.1%	\$179,795	\$192,489	-7%	\$55,117	\$60,889	-9%	\$234,913	\$253,378	-7%
R	3	0.1%	\$105,498	n/a	n/a	\$41,239	n/a	n/a	\$146,736	n/a	n/a
Q	12	0.2%	\$102,365	\$105,814	-3%	\$40,625	\$43,098	-6%	\$142,990	\$148,912	-4%
P	28	0.5%	\$83,327	n/a	n/a	\$36,242	n/a	n/a	\$119,569	n/a	n/a
O	146	2.6%	\$80,767	\$87,006	-7%	\$35,640	\$38,530	-7%	\$116,407	\$125,536	-7%
N	193	3.5%	\$67,670	\$83,774	-19%	\$32,479	\$37,712	-14%	\$100,149	\$121,485	-18%
M	473	8.5%	\$60,747	\$64,520	-6%	\$30,805	\$32,814	-6%	\$91,551	\$97,334	-6%
L	766	13.8%	\$51,425	\$56,216	-9%	\$28,551	\$30,711	-7%	\$79,976	\$86,927	-8%
K	757	13.6%	\$42,934	\$52,179	-18%	\$26,497	\$29,689	-11%	\$69,430	\$81,868	-15%
J	116	2.1%	\$40,285	\$52,887	-24%	\$25,856	\$29,868	-13%	\$66,141	\$82,754	-20%
I	1404	25.3%	\$33,967	\$43,836	-23%	\$24,328	\$27,571	-12%	\$58,295	\$71,407	-18%
H	735	13.2%	\$29,937	\$40,750	-27%	\$23,354	\$26,787	-13%	\$53,290	\$67,537	-21%
G	463	8.3%	\$26,331	\$31,699	-17%	\$22,482	\$24,489	-8%	\$48,813	\$56,188	-13%
F	223	4.0%	\$23,332	\$30,555	-24%	\$21,757	\$24,198	-10%	\$45,089	\$54,752	-18%
E	228	4.1%	\$21,451	\$24,852	-14%	\$21,302	\$22,750	-6%	\$42,753	\$47,602	-10%
Overall	5550	100.0%			-14%			-9%			-11%

- The charts on the following slides illustrate the State’s total compensation by Grade compared to both the Private and Public Sector markets
  - Grades V and R are not shown due to the low number of incumbents (less than 5)

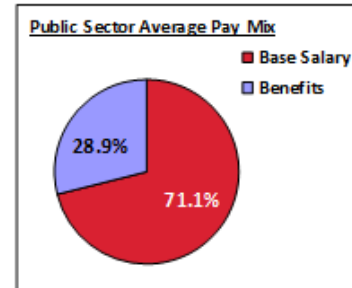
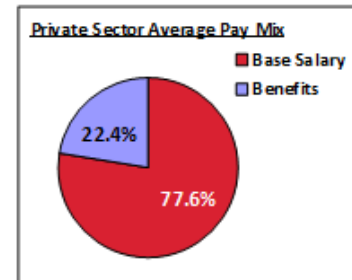
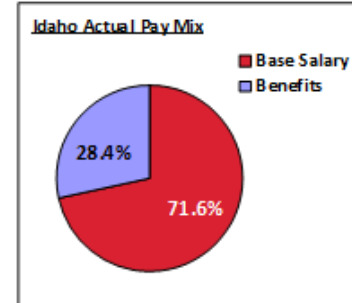
# TOTAL COMPENSATION MARKET COMPETITIVENESS

## STATE OF IDAHO VS. GENERAL/PUBLIC SECTOR MARKET

Pay Grade Q



	Idaho	Private	Public
<b>Base Salary</b>	\$102,365	\$122,346	\$105,814
<b>Benefits</b>	\$40,625	\$35,378	\$43,098
<b>Total Remuneration</b>	<b>\$142,990</b>	<b>\$157,723</b>	<b>\$148,912</b>

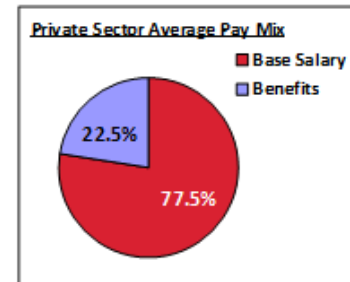
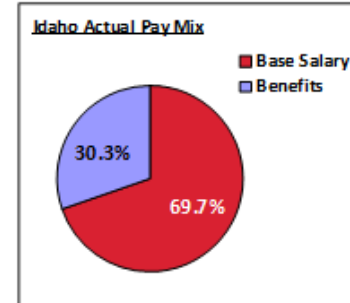
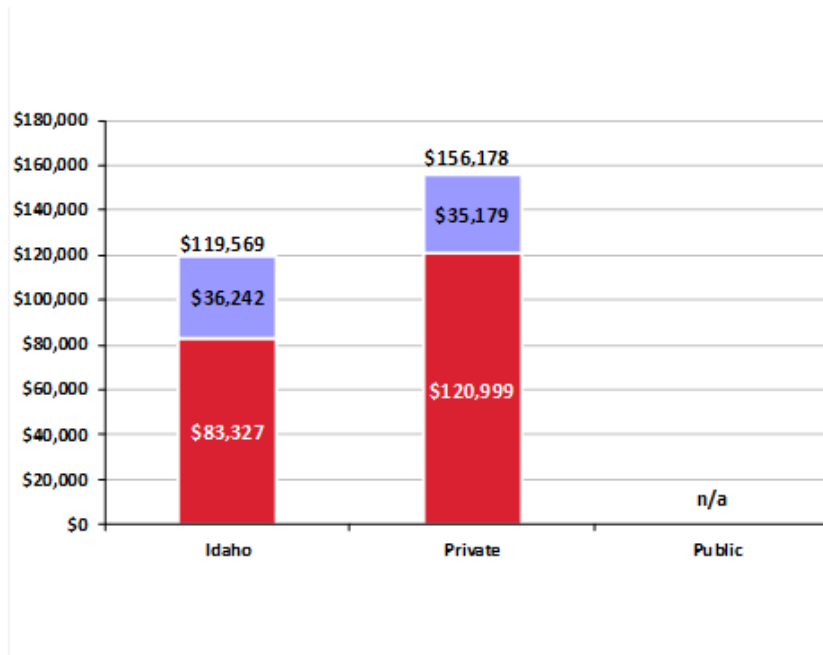




# TOTAL COMPENSATION MARKET COMPETITIVENESS

## STATE OF IDAHO VS. GENERAL/PUBLIC SECTOR MARKET

Pay Grade P

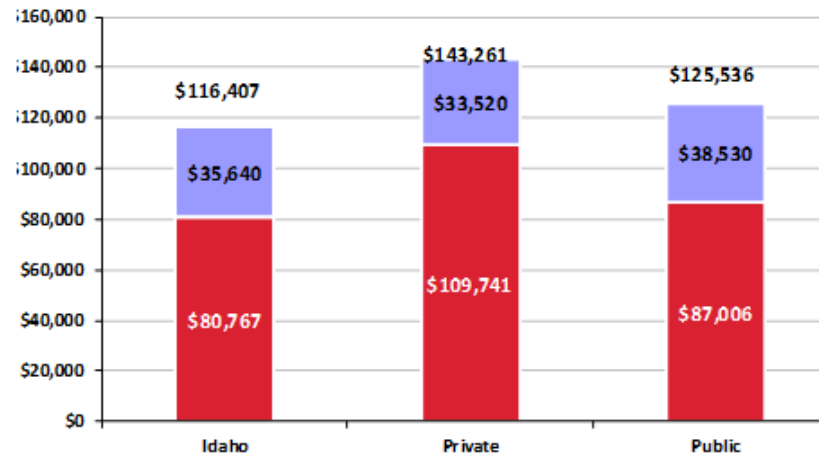


	Idaho	Private	Public
Base Salary	\$83,327	\$120,999	n/a
Benefits	\$36,242	\$35,179	n/a
Total Remuneration	\$119,569	\$156,178	n/a

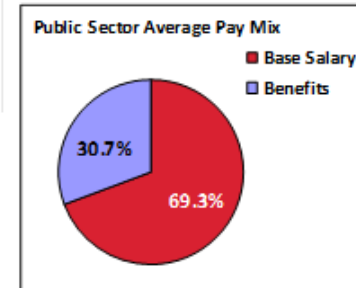
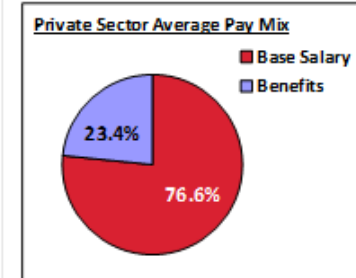
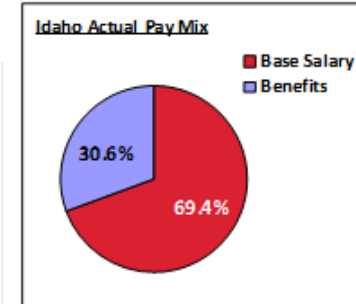
# TOTAL COMPENSATION MARKET COMPETITIVENESS

## STATE OF IDAHO VS. GENERAL/PUBLIC SECTOR MARKET

### Pay Grade O



	Idaho	Private	Public
<b>Base Salary</b>	\$80,767	\$109,741	\$87,006
<b>Benefits</b>	\$35,640	\$33,520	\$38,530
<b>Total Remuneration</b>	<b>\$116,407</b>	<b>\$143,261</b>	<b>\$125,536</b>



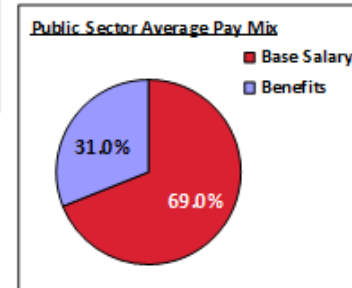
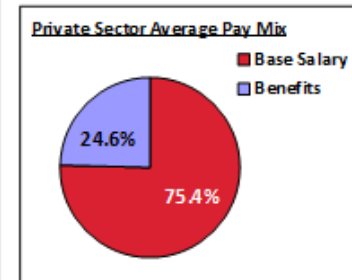
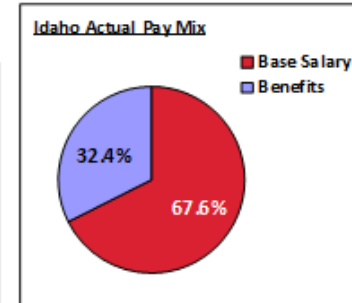
# TOTAL COMPENSATION MARKET COMPETITIVENESS

## STATE OF IDAHO VS. GENERAL/PUBLIC SECTOR MARKET

Pay Grade N



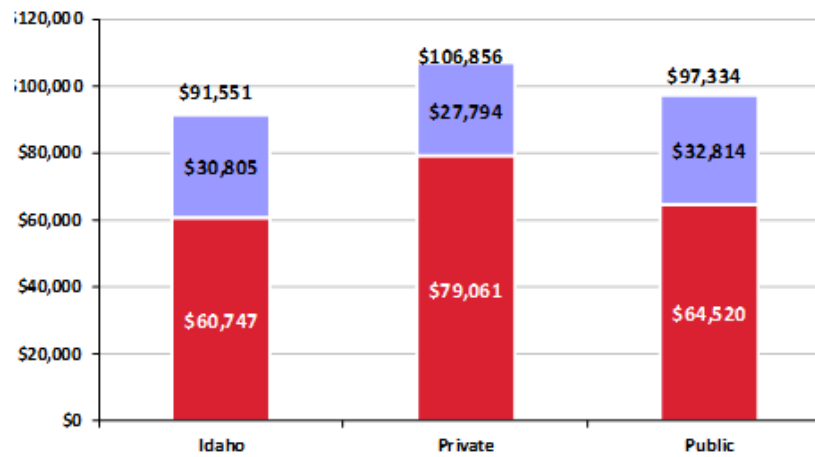
	Idaho	Private	Public
<b>Base Salary</b>	\$67,670	\$93,762	\$83,774
<b>Benefits</b>	\$32,479	\$30,560	\$37,712
<b>Total Remuneration</b>	<b>\$100,149</b>	<b>\$124,322</b>	<b>\$121,485</b>



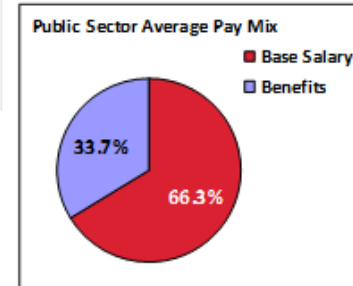
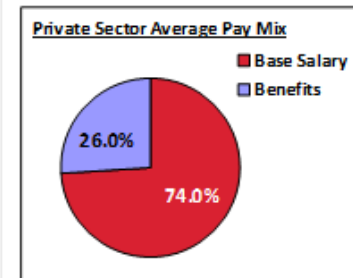
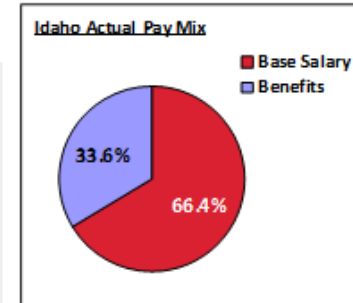
# TOTAL COMPENSATION MARKET COMPETITIVENESS

## STATE OF IDAHO VS. GENERAL/PUBLIC SECTOR MARKET

Pay Grade M



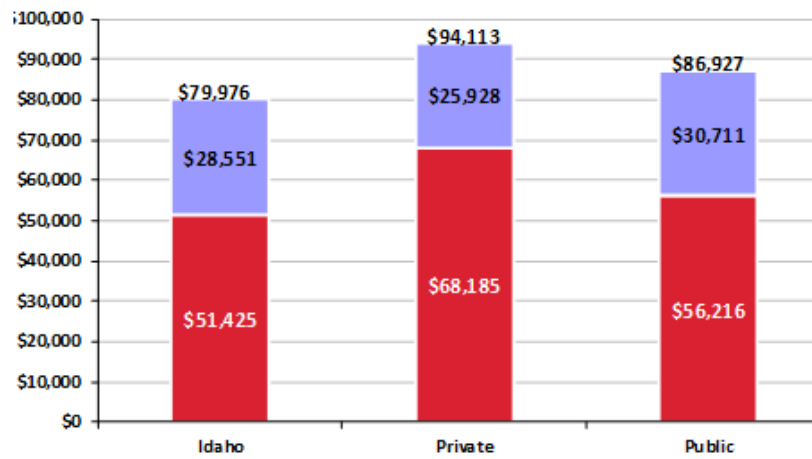
	Idaho	Private	Public
Base Salary	\$60,747	\$79,061	\$64,520
Benefits	\$30,805	\$27,794	\$32,814
Total Remuneration	\$91,551	\$106,856	\$97,334



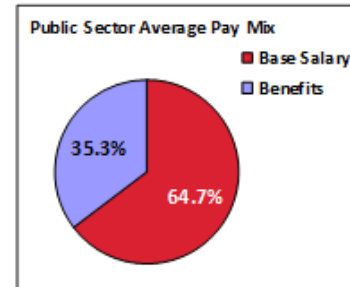
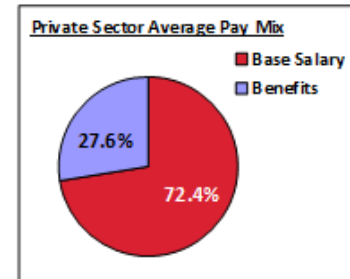
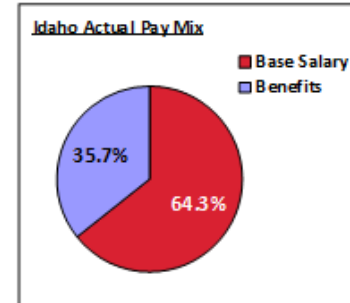
# TOTAL COMPENSATION MARKET COMPETITIVENESS

## STATE OF IDAHO VS. GENERAL/PUBLIC SECTOR MARKET

Pay Grade L



	Idaho	Private	Public
<b>Base Salary</b>	\$51,425	\$68,185	\$56,216
<b>Benefits</b>	\$28,551	\$25,928	\$30,711
<b>Total Remuneration</b>	<b>\$79,976</b>	<b>\$94,113</b>	<b>\$86,927</b>



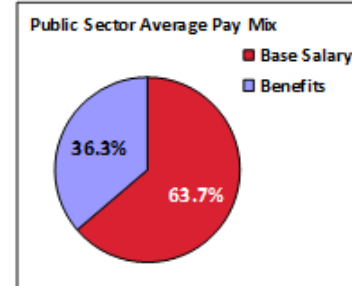
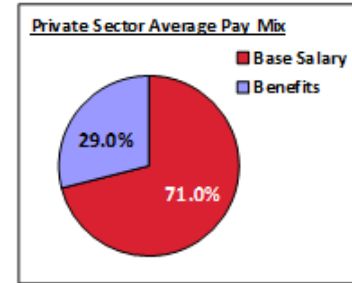
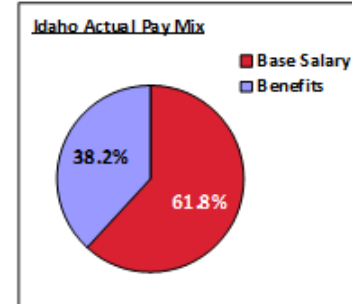
# TOTAL COMPENSATION MARKET COMPETITIVENESS

## STATE OF IDAHO VS. GENERAL/PUBLIC SECTOR MARKET

### Pay Grade K



	Idaho	Private	Public
<b>Base Salary</b>	\$42,934	\$60,155	\$52,179
<b>Benefits</b>	\$26,497	\$24,556	\$29,689
<b>Total Remuneration</b>	<b>\$69,430</b>	<b>\$84,711</b>	<b>\$81,868</b>



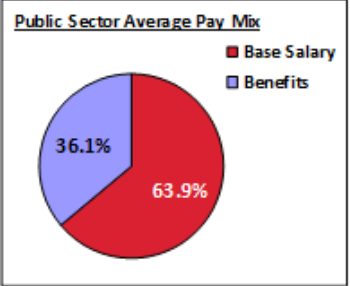
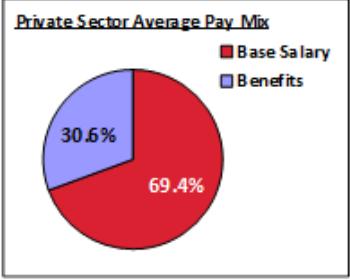
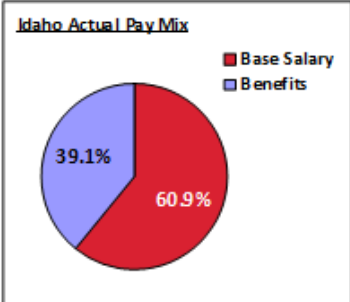
# TOTAL COMPENSATION MARKET COMPETITIVENESS

## STATE OF IDAHO VS. GENERAL/PUBLIC SECTOR MARKET

Pay Grade J



	Idaho	Private	Public
<b>Base Salary</b>	\$40,285	\$51,758	\$52,887
<b>Benefits</b>	\$25,856	\$22,810	\$29,868
<b>Total Remuneration</b>	<b>\$66,141</b>	<b>\$74,568</b>	<b>\$82,754</b>



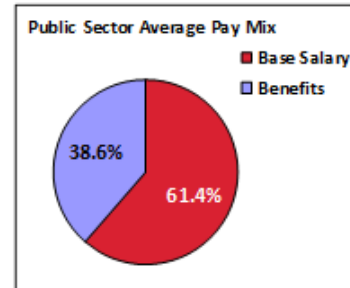
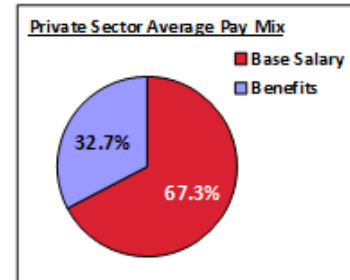
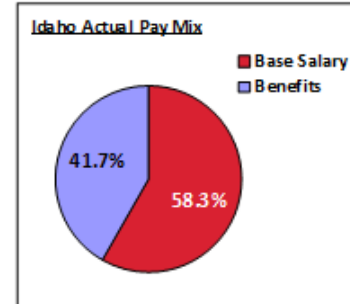
# TOTAL COMPENSATION MARKET COMPETITIVENESS

## STATE OF IDAHO VS. GENERAL/PUBLIC SECTOR MARKET

### Pay Grade I



	Idaho	Private	Public
<b>Base Salary</b>	\$33,967	\$44,219	\$43,836
<b>Benefits</b>	\$24,328	\$21,449	\$27,571
<b>Total Remuneration</b>	<b>\$58,295</b>	<b>\$65,668</b>	<b>\$71,407</b>

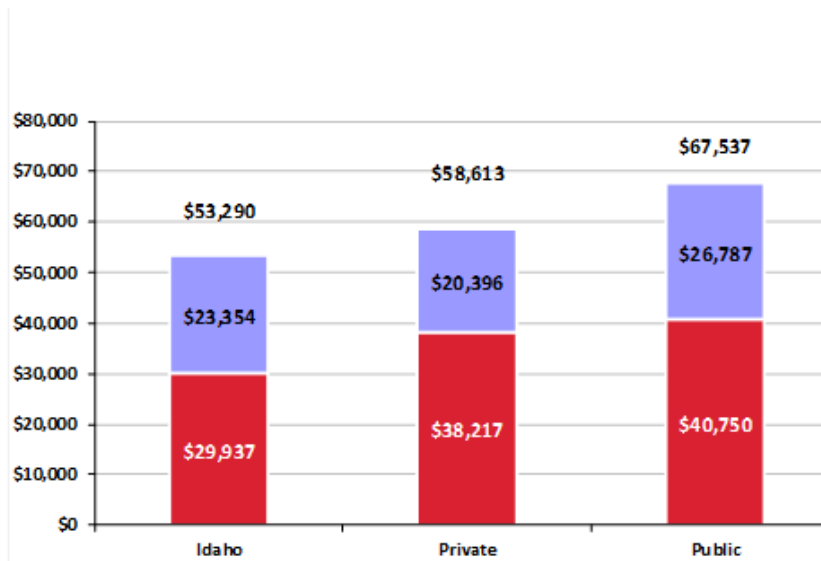




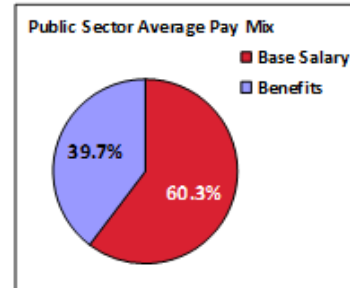
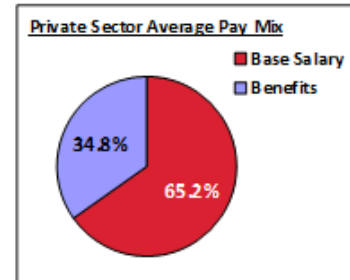
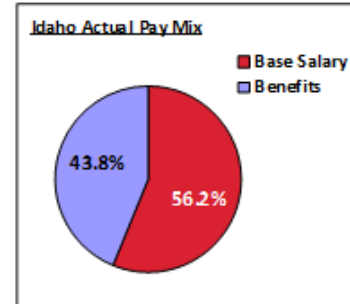
# TOTAL COMPENSATION MARKET COMPETITIVENESS

## STATE OF IDAHO VS. GENERAL/PUBLIC SECTOR MARKET

### Pay Grade H



	Idaho	Private	Public
<b>Base Salary</b>	\$29,937	\$38,217	\$40,750
<b>Benefits</b>	\$23,354	\$20,396	\$26,787
<b>Total Remuneration</b>	<b>\$53,290</b>	<b>\$58,613</b>	<b>\$67,537</b>



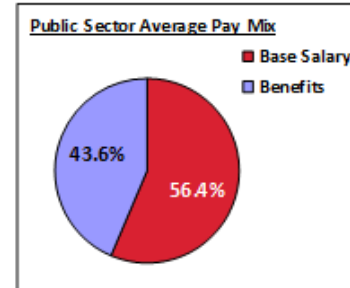
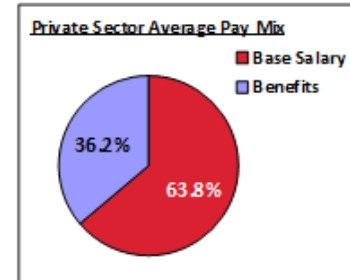
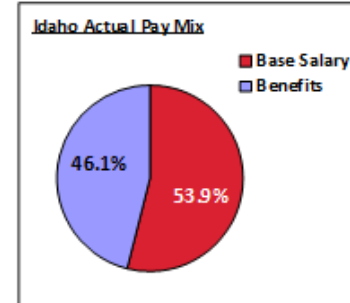
# TOTAL COMPENSATION MARKET COMPETITIVENESS

## STATE OF IDAHO VS. GENERAL/PUBLIC SECTOR MARKET

Pay Grade G



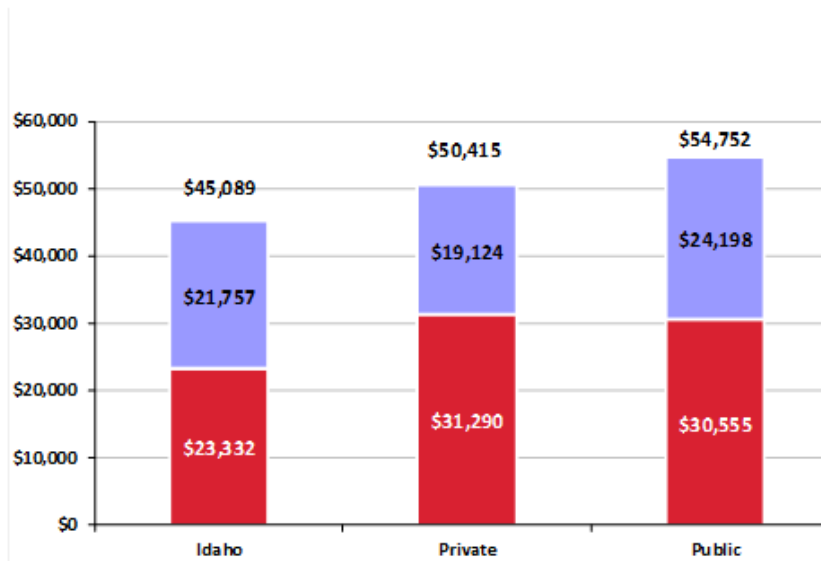
	Idaho	Private	Public
Base Salary	\$26,331	\$34,957	\$31,699
Benefits	\$22,482	\$19,798	\$24,489
Total Remuneration	\$48,813	\$54,754	\$56,188



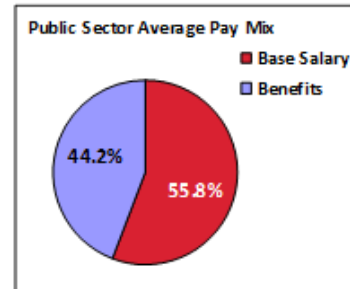
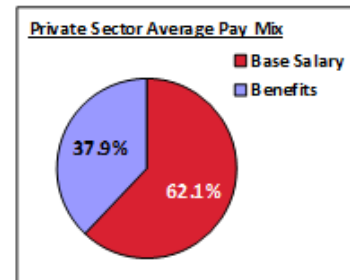
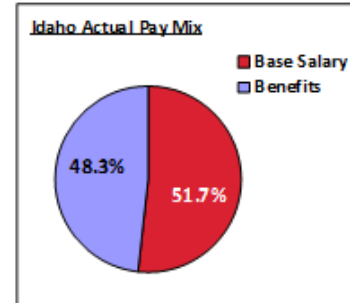
# TOTAL COMPENSATION MARKET COMPETITIVENESS

## STATE OF IDAHO VS. GENERAL/PUBLIC SECTOR MARKET

Pay Grade F



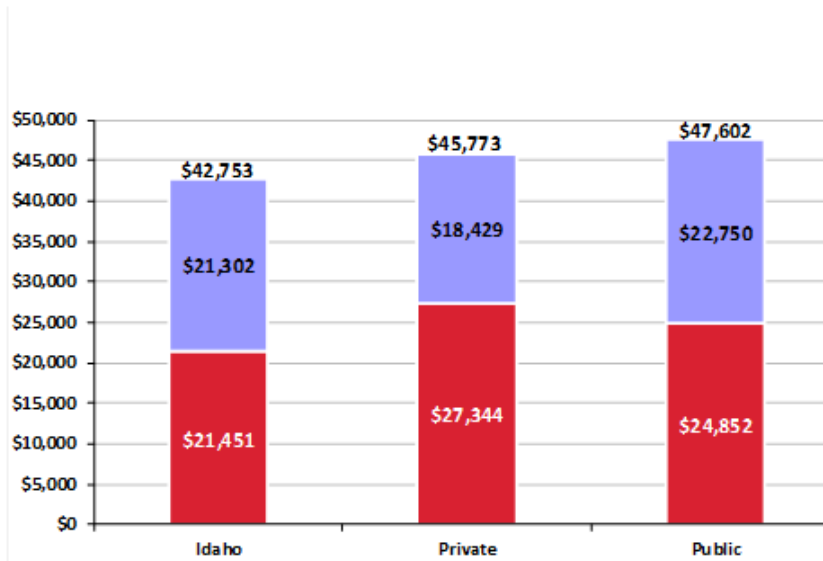
	Idaho	Private	Public
<b>Base Salary</b>	\$23,332	\$31,290	\$30,555
<b>Benefits</b>	\$21,757	\$19,124	\$24,198
<b>Total Remuneration</b>	<b>\$45,089</b>	<b>\$50,415</b>	<b>\$54,752</b>



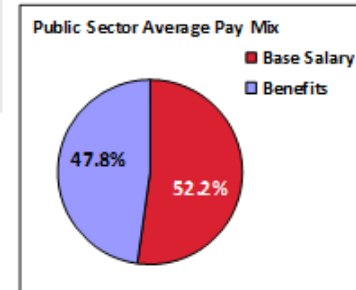
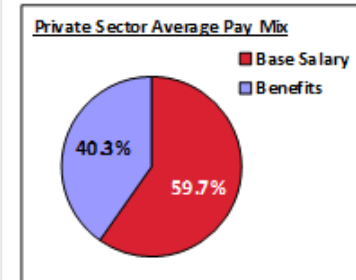
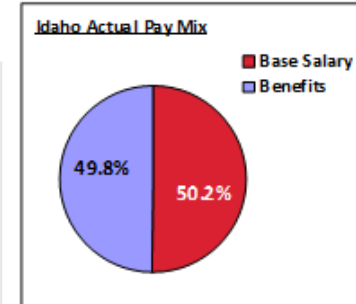
# TOTAL COMPENSATION MARKET COMPETITIVENESS

## STATE OF IDAHO VS. GENERAL/PUBLIC SECTOR MARKET

### Pay Grade E



	Idaho	Private	Public
<b>Base Salary</b>	\$21,451	\$27,344	\$24,852
<b>Benefits</b>	\$21,302	\$18,429	\$22,750
<b>Total Remuneration</b>	<b>\$42,753</b>	<b>\$45,773</b>	<b>\$47,602</b>



## WHAT DOES THE ANALYSIS SHOW? SALARY

**Based on the market data sources used for this analysis, the findings regarding salary are as follows:**

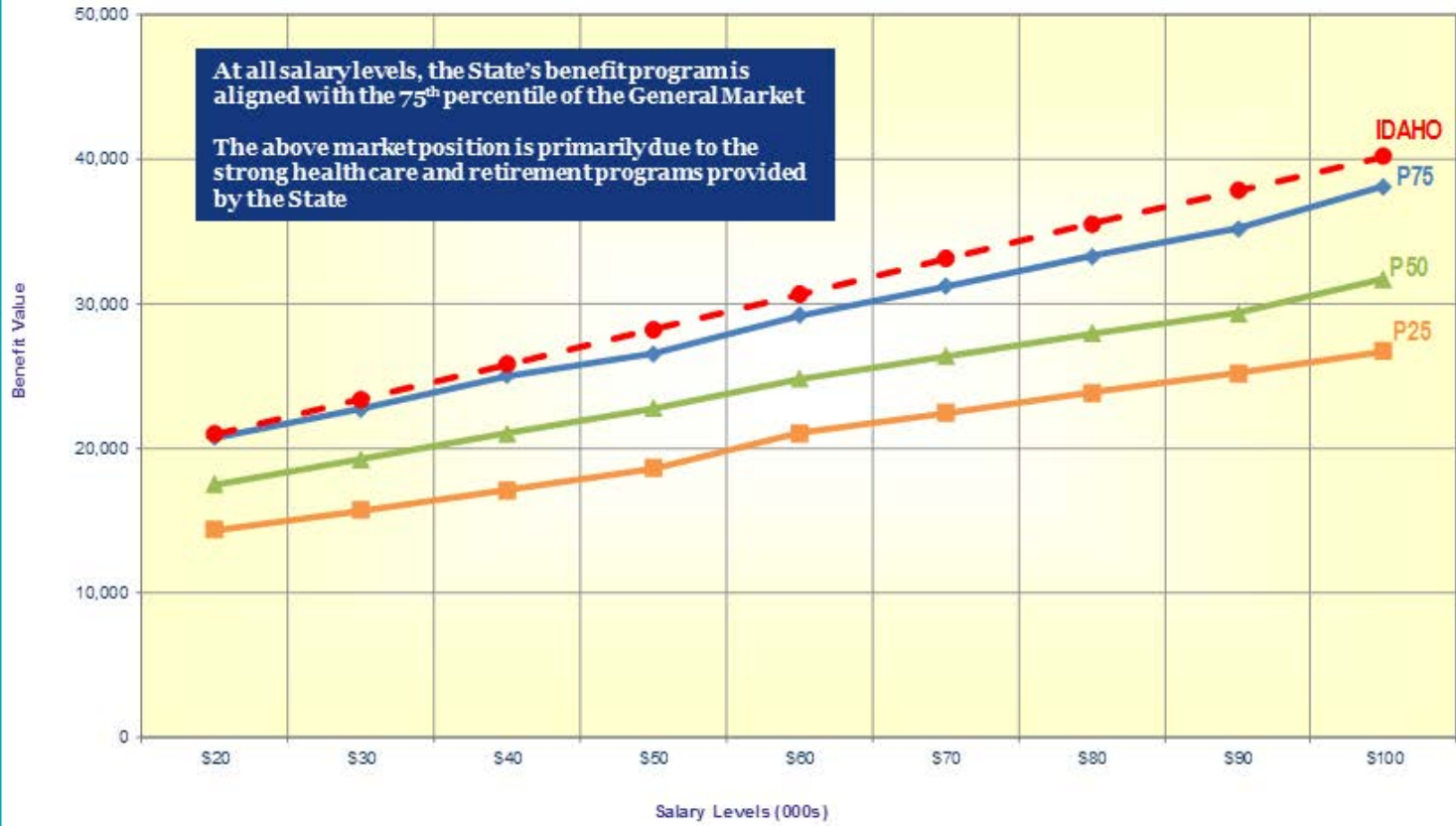
- Average actual pay for State employees (not weighted by incumbent) is approximately 24% below the private sector market average
- The State's policy is 20% below the private sector (general) market average
- Average actual pay for State employees is approximately 14% below the public sector market average
- The State's policy is 7% below the public sector market average
- These results are based on Hay Group's analysis of external survey data provided and compiled by the State of Idaho, plus Hay Group's database for employees located in Idaho. Each private sector survey source is equally weighted
- Market salary movement since the January 2016 study has been consistent with the State of Idaho's salary increase, resulting in minimal change to the State's overall salary market position

In 2012, the State's average actual pay was 29% below the private sector market average and 10% below the public sector average. The State's policy was 20% below the private sector market average and 2% above the public sector market average

## WHAT DOES THE ANALYSIS SHOW? BENEFITS

Benefit Area	Idaho vs. General Market 2015	Market Position 2012	Key Findings
Total Benefits	<b>P75</b>	P75	Benefits that are a direct function of pay (retirement) and have a higher likelihood of being utilized (health care) determine overall program value
Health Care	<b>&gt; P75</b>	>P75	The State's lower premium cost sharing is the primary driver of the above market position relative to the General Market. Deductibles, out of pocket maximums, copayments, etc. are within market norms.
Retirement	<b>&gt; P75</b>	>P75	Only 10% of the general market maintains an active DB plan. In the general market, where defined contributions are most prevalent, employer contributions toward retirement are 5% of pay at the median. DB plans generally provide more value than DC plans, putting the State's 2% final average pay pension plan above prevalent market practice.
Disability	<b>P75</b>	>P75	The combination of sick leave (with no maximum accrual) and employer paid Short Term Disability (STD) coverage, puts the State above the General Market, where more limited sick leave is typical along with employer paid STD coverage.
Life	<b>P50</b>	<P25	The State's basic death benefit of 1 times salary is aligned with typical General Market practice, however, the limited supplemental benefits decreases overall value

## WHAT DOES THE ANALYSIS SHOW? BENEFITS

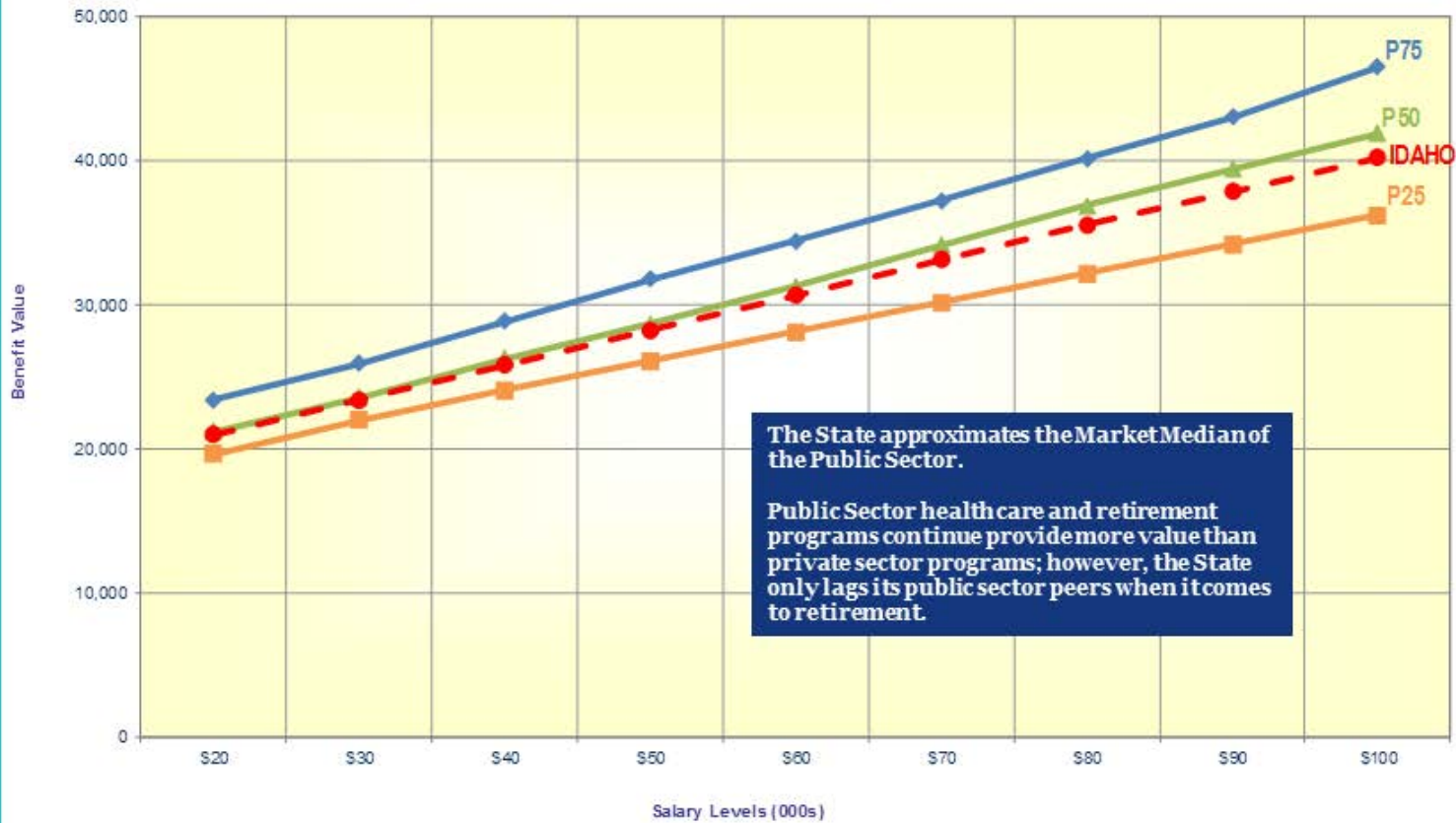


## WHAT DOES THE ANALYSIS SHOW? BENEFITS

Benefit Area	Idaho vs. Public Sector 2015	Market Position 2012	Key Findings
Total Benefits	P50	P50	Benefits that are a direct function of pay (retirement) and have a higher likelihood of being utilized (health care) determine overall program value
Health Care	P50	P50	Health care values among public sector organizations do not vary greatly. The State maintained its position relative to the public sector market, as neither the market nor the State made significant changes to premium cost sharing levels or plan design. The State's premium cost sharing is competitive, as are the deductibles, out of pocket maximums, and copayments.
Retirement	P25-P50	P50	The State's defined benefit plan with a 2% formula is generally aligned with prevalent public sector practice, where 84% of the market continues to provide a pension plan. The required employee contributions (6.79%) decrease the value to below median.
Disability	>P75	>P75	The combination of sick leave (with no maximum accrual) and employer paid Short Term Disability (STD) coverage, puts the State above its public sector peers, where STD coverage is typically voluntary. The State's LTD coverage is also above market median.
Life	>P50	Varies by salary	The State's basic death benefit of 1 times salary is aligned with the median for those employees earning up to \$40,000 and exceed the market median for those earning more than \$40,000. This is due to the fact that public sector organizations continue to provide a flat dollar benefit, with a median value of under \$50,000.



## WHAT DOES THE ANALYSIS SHOW? BENEFITS



## 03 WHAT ARE THE KEY FINDINGS

## WHAT ARE THE KEY FINDINGS?

- Although this analysis shows the State's aggregate salary market position is 24% behind the private sector market, the State's position improved from the 2012 study results (up from 29% behind the private sector market)
- As indicated in the 2012 study, the State does not need to increase salary significantly to improve the market competitiveness of its total compensation, but should consider the following salary actions:
  - Strategic salary increases of approximately 2-3% to improve competitiveness and help attract and retain employees in key jobs
  - Adjustments to the salary structure that increase the minimum, midpoint and maximum, to improve competitiveness and better position the State to attract employees in the future
- When it comes to total compensation, the strength of the State's benefits program offsets some of the impact of the below market salary position, but not all. This means salary adjustments will have the greatest impact on improving the State's total compensation market position.
  - The ongoing pressure to effectively manage benefit cost increases will likely result in future benefits reductions not enhancements, so adjusting salary is the primary method of delivering compensation increases to State employees

**In the market, salary structure movement is 2% and salary increase budgets are 3% at the median. The State's 3% annual base salary increases result in the State's market position remaining relatively unchanged from 2016 into 2017.**

# 04 APPENDICES

## PROCESS

### **The following steps have been undertaken to achieve the State's project objectives:**

- Initial planning and scoping meeting;
- Mutual agreement on the market comparator group
- Collection of current State of Idaho benefits data
- Collection of appropriate salary data (State and Market);
- Analysis of benefits data;
- Analysis of salary data; and
- Review of total compensation

## PROCESS

### Market Comparator Group

- Benefits analysis:
  - General Market – General market (private sector) organizations with employees in Idaho, as well as Nevada, Oregon, Utah and Washington contained in our current benefits database.
  - Public Sector Market – Public sector organizations (states, counties, cities, etc.) in the West, excluding California
- Given the changing workforce demographics and increased mobility it is important to compare to a broad market of organizations (both public and private sector) as it represents the State’s employee talent pool

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  - The World at Work 2015 Salary Budget Survey reports Median 2015 salary increase budgets of 3.0% for both All Industries (private sector) and Public Administration
  - Hay Group's General Industry survey (primarily private sector) reports 3.0% for 2015 actual salary budget increases

## DEFINITION OF TERMS

- The following terms are used when making comparisons of the State of Idaho to the market:

<b>P25</b>	P25 is the 25th Percentile, meaning that 75% of the market data is above this point, and 25% is below
<b>P50 / Median</b>	P50 is the Median, meaning that 50% of the market data is above this point, and 50% is below
<b>P75</b>	P75 is the 75th Percentile, meaning that 25% of the market data is above this point, and 75% is below
<b>Weighted Average</b>	Average salary by job that takes into consideration the number of employees in a particular job. The more incumbents in a job, the more “weight” the average salary for that position will have in the calculation



## METHODOLOGY: HAY BENEFIT VALUATION METHODOLOGY

- Hay Group utilizes a proprietary actuarial valuation methodology to evaluate benefit plans in terms of the cash equivalence of the benefits.
- In establishing a program's overall market competitiveness the Hay Benefit Valuation model uses "standard cost assumptions", instead of a company's specific costs, which eliminates the impact of such cost variables as demographics, geography, funding method, or purchasing power, etc.
- The utilization of "standard or common cost assumptions" provides a uniform quantitative evaluation method which produces values based solely on the level of the benefit provided.
- The valuation model places a relative value on each specific feature of a benefit program. The value for each plan is then compiled to produce an overall program value appropriate for market comparison. In general, the more generous a particular feature is the higher the relative value.

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**The valuation method is applied to a full range of employee benefits including:**

- Healthcare Insurance (medical, dental, prescription, vision, physical exams);
- Retirement Plans (defined benefit and defined contribution plans);
- Death Benefits (employer paid and voluntary life insurance plans);
- Disability and Sick Leave (sick leave, short-term, long-term disability plans); and
- Other benefits such as Tuition Reimbursement, Flex Plans, Statutory Benefits, etc.

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- Internal equity is the inter-relationship between reward opportunities within an organization. Many benefit plans (death benefits, disability, retirement, etc.) have features or benefit levels that are related to salary. Internal equity is achieved in a benefit program when the relationships between the benefit level and the employee salary are consistent within each employee population (Note: While benefit program differences can often be found between employee classes, most organizations provide consistent policies within a class).
- Organizations that wish to achieve internal equity within a benefit plan typically establish benefit levels that are based on uniform salary multiples (i.e. death benefits of one times salary or disability income replacement level of 60% of salary).
- In order to observe the internal equity of an employee benefits program, benefit values are typically illustrated at several salary levels. For this review of benefits, values are shown for salaries from \$20,000 to \$100,000.

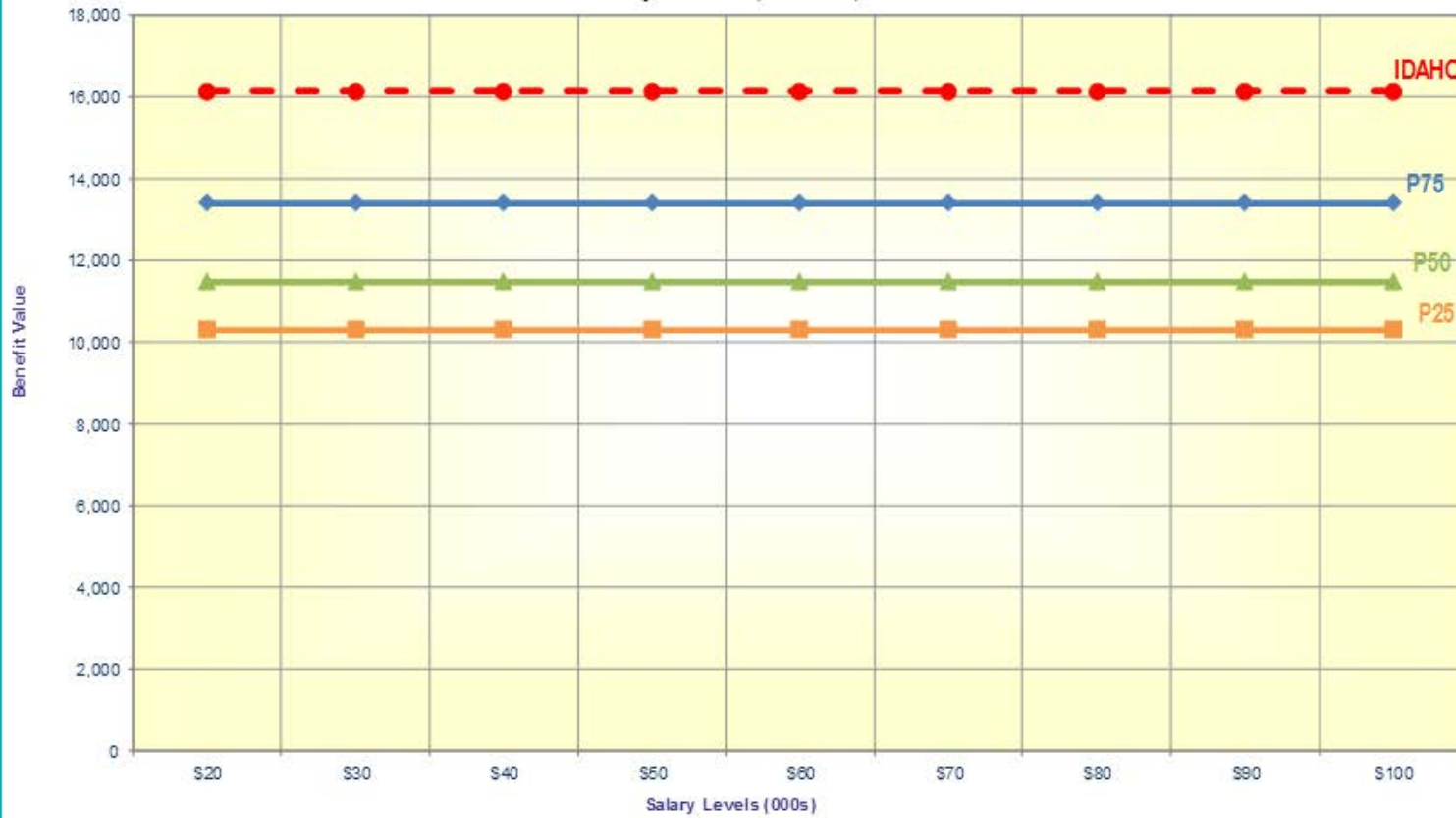
**GENERAL MARKET ORGANIZATIONS – ID, NV, UT, WA**

3M	Estee Lauder Companies	Phillips-Van Heusen
Abercrombie & Fitch	Express	Pier 1 Imports
ACUITY	Express Scripts	Recreational Equipment
Advance Auto Parts	Fossil Group	Ross Stores
Aeropostale	Gordmans Stores	Sanofi-Aventis
Alex and Ani	HCA -- Mountain Division	Schweitzer Engineering Laboratories
American Eagle Outfitters	Hershey Foods	Stage Stores
Anheuser-Busch InBev -- Anheuser-Busch	Hilti -- US	Staples
Ann Inc.	J.Crew	Starboard Cruise Services
Apple	jcpenny	Sumitomo Chemical -- Valent
Ascena Retail Group	Kohl's	SUPERVALU
Bayer -- AG	L Brands	Talbots
Best Buy	Laureate Education	Target
Big Lots	Lehigh Hanson -- Building Materials America	TJX
Carter's	Luxottica	Toys R Us
Chico's	LVMH Moet Hennessy Louis Vuitton	Tractor Supply
Children's Place	LVMH Moet Hennessy Louis Vuitton -- Moet Hennessy USA	Tuesday Morning
CHS	Macy's	Ulta
CIGNA	Michaels Stores	UnitedHealth Group
Coach	Michelin North America	Vera Bradley Designs
Department of Veterans Affairs	Nike	VWR Funding
Dick's Sporting Goods	Payless ShoeSource	Walmart Stores
DSW		Williams-Sonoma
Eaton		Zale

**PUBLIC SECTOR ORGANIZATIONS – WEST (EXCLUDING CA)**

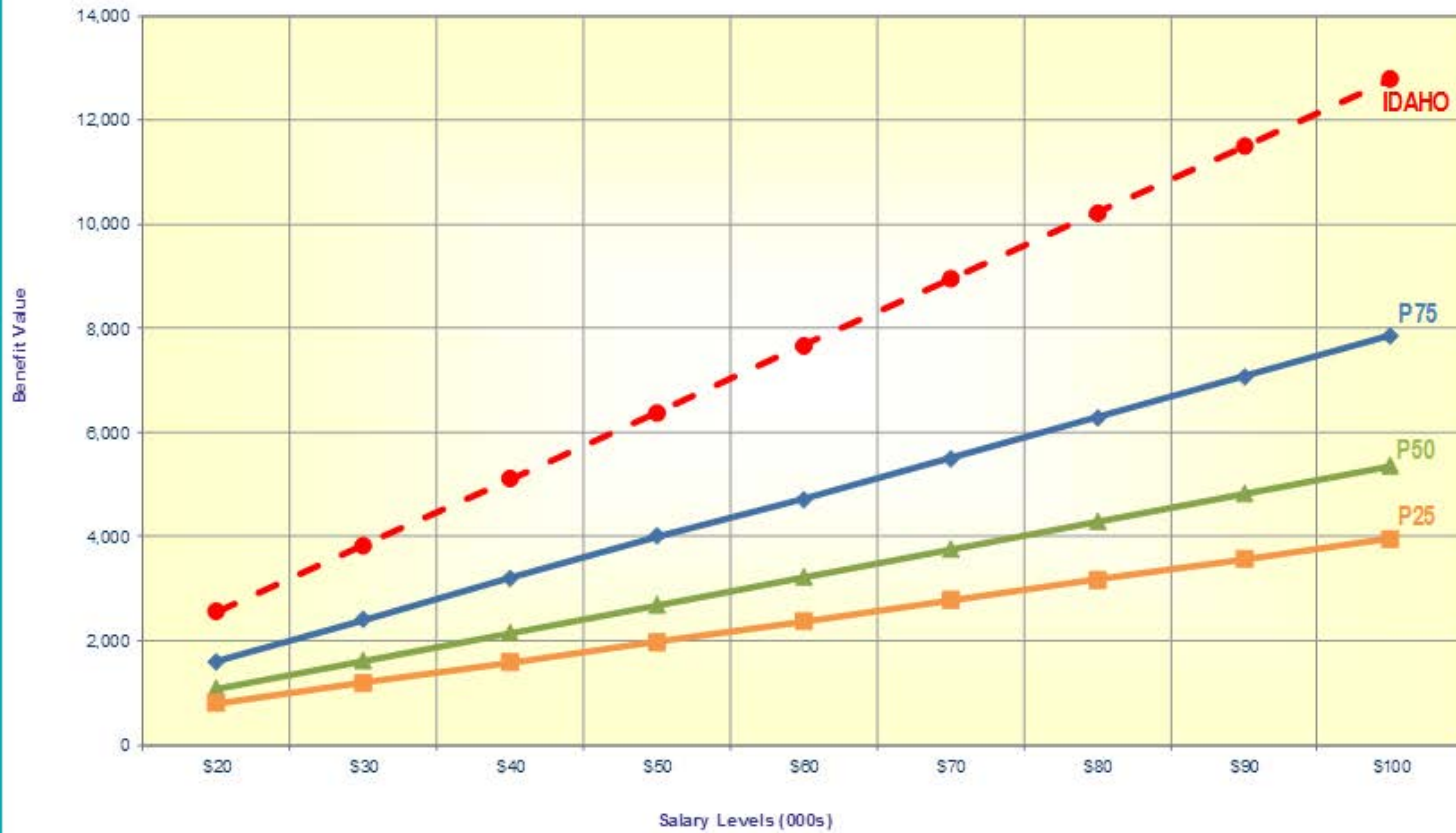
Campbell County School District #1  
City of Denver, CO  
City of Gillette, WY  
City of Murray, UT  
City of Portland, OR  
City of Renton, WA  
City of Salt Lake, UT  
City of Seattle, WA  
City of Tucson, AZ  
City of Vancouver, WA  
County of Benton, WA  
County of Chelan, WA  
County of Franklin, WA  
County of Grant, WA  
County of King, WA  
County of Kittitas, WA  
County of Klickitat, WA  
County of Pierce, WA  
County of Salt Lake, UT  
County of Snohomish, WA  
Federal Government  
Jordan Valley Water Conservancy District  
Laramie County Community College  
Montana State Fund  
New Mexico State University  
Port of Seattle, WA  
Public Utility District No. 1 of Benton County  
Salt Lake Community College  
Seattle City Light  
State of Arizona  
State of Colorado  
State of Montana  
State of New Mexico  
State of Oregon  
University of Colorado  
University of Utah  
Utah System of Higher Education  
Utah Valley University

## HEALTH CARE MARKET POSITION IDAHO VS. GENERAL MARKET



The State did not change its health care programs significantly, while the general market did shift more costs to employees since the 2012 analysis. As a result, the State's program improved slightly relative to the general market.

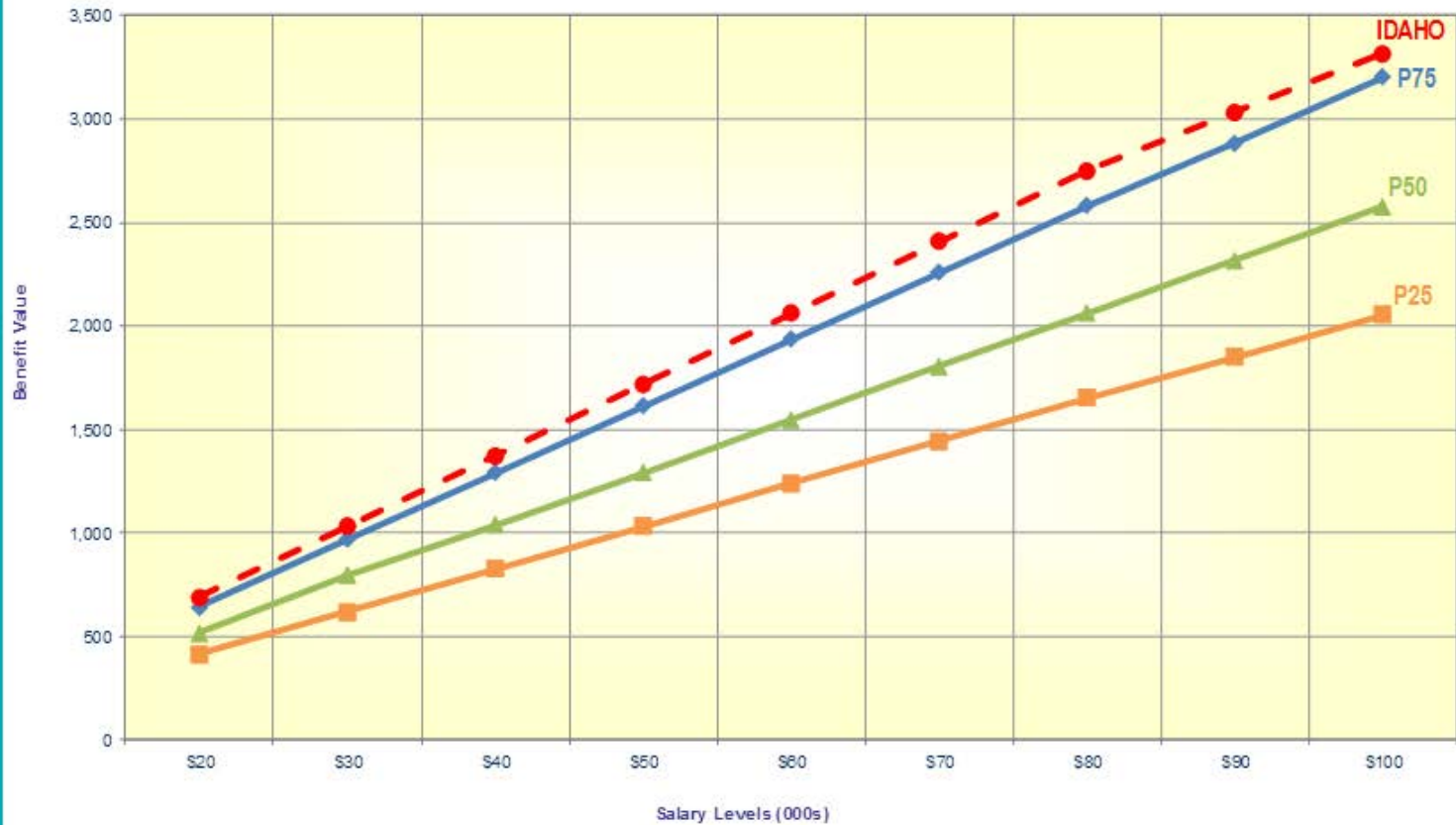
## TOTAL RETIREMENT (DB & DC) MARKET POSITION IDAHO VS. GENERAL MARKET



The State continues to provide a more valuable retirement program than the general market. Only 10% of the general market provides a pension plan, while 401(k) plans continue to be most prevalent.



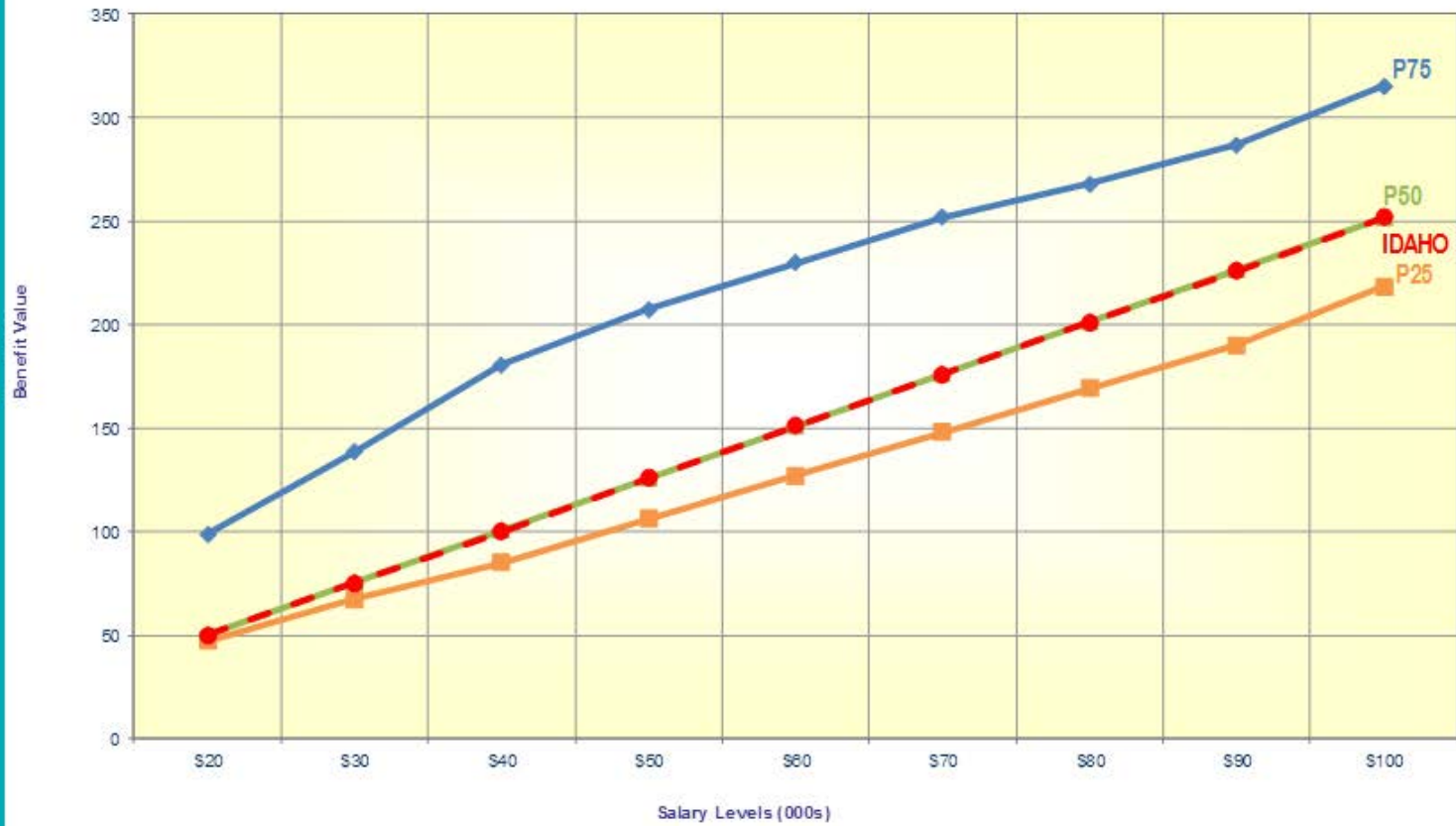
## DISABILITY MARKET POSITION IDAHO VS. GENERAL MARKET



The combination of sick days (sick bank), STD and LTD provide above market income replacement to employees in the event of illness or injury.

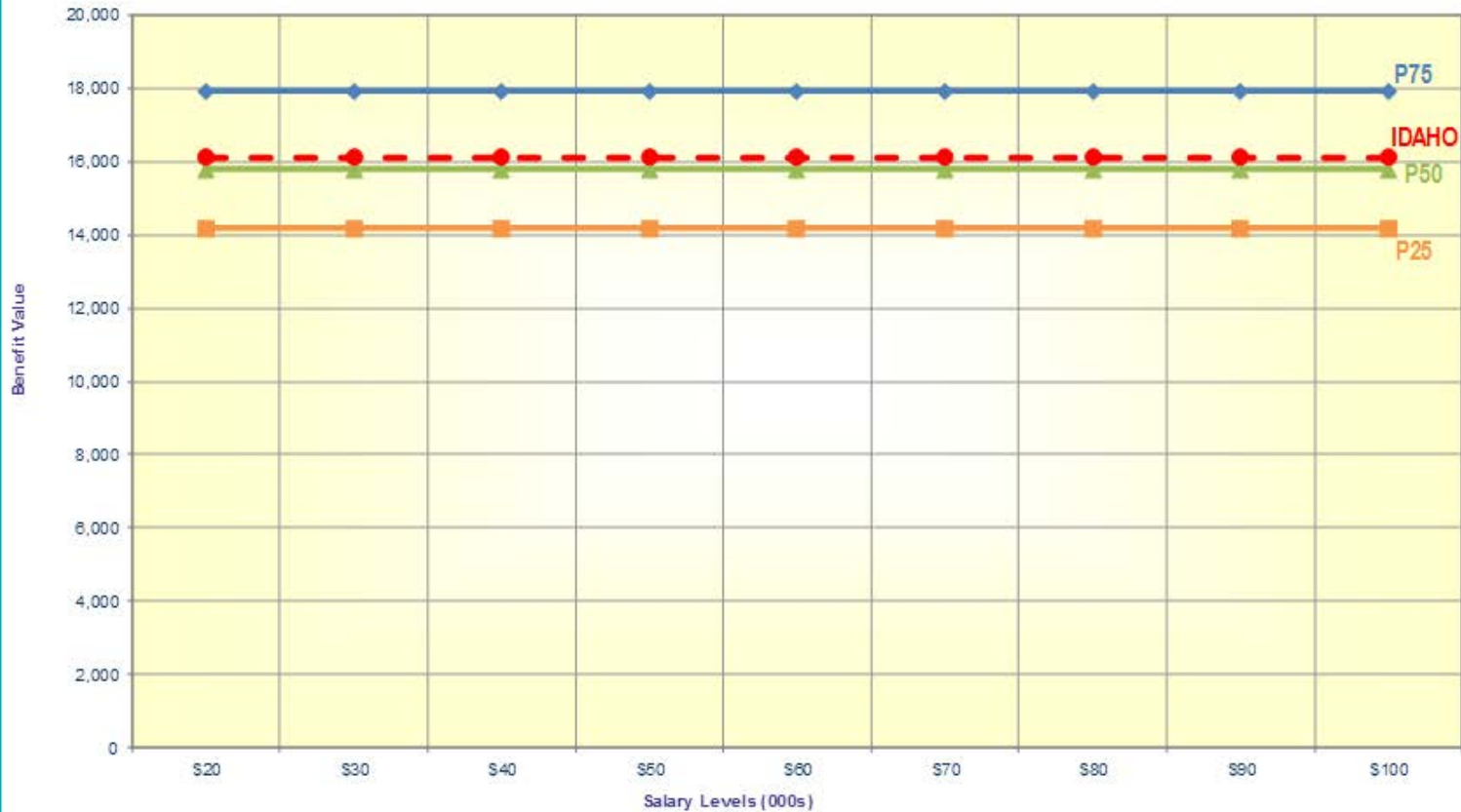


## LIFE INSURANCE MARKET POSITION IDAHO VS. GENERAL MARKET



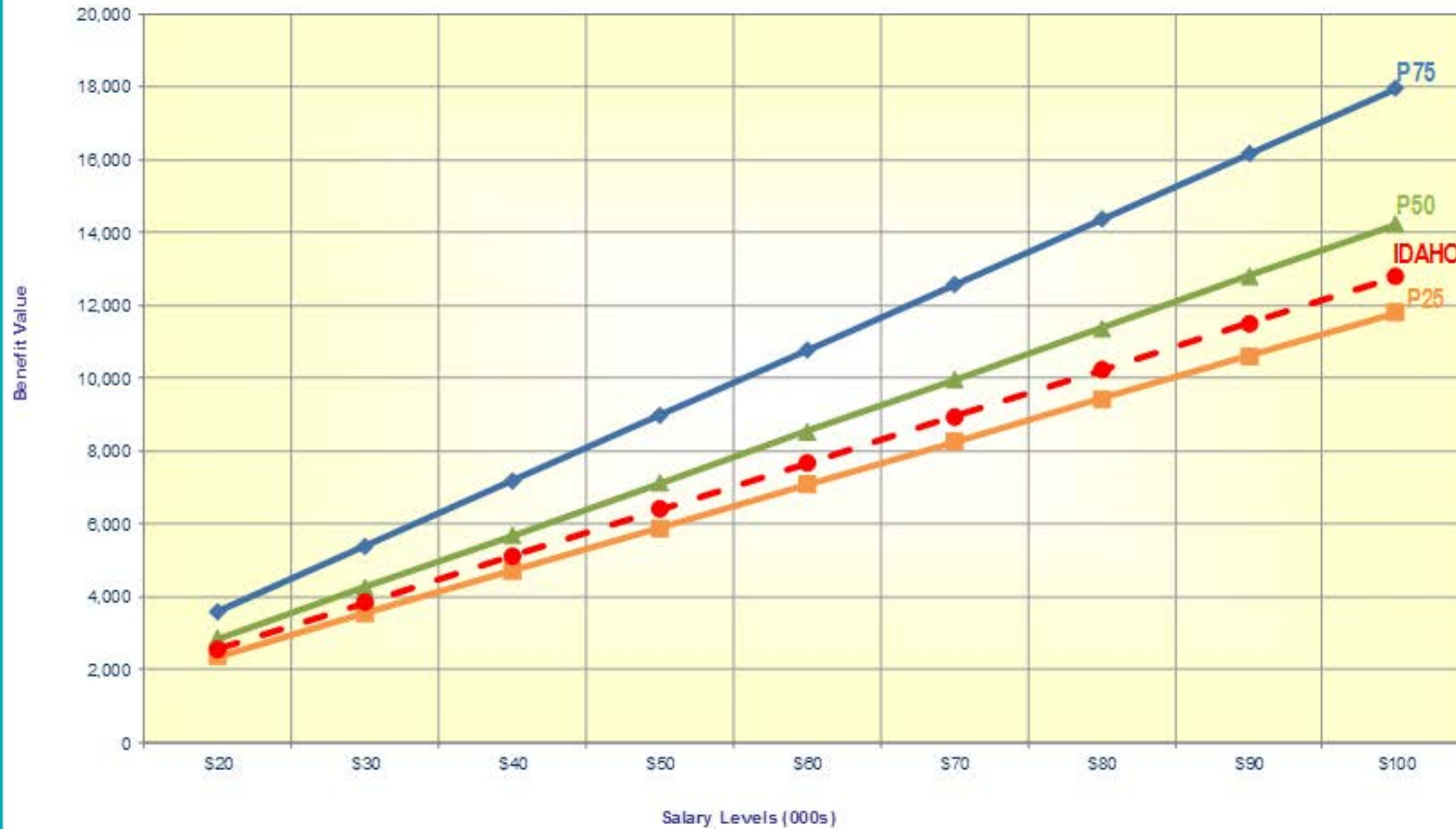
The State's basic life insurance benefit of 1 times salary is aligned with prevalent general market practice.

## HEALTH CARE MARKET POSITION IDAHO VS. PUBLIC SECTOR MARKET



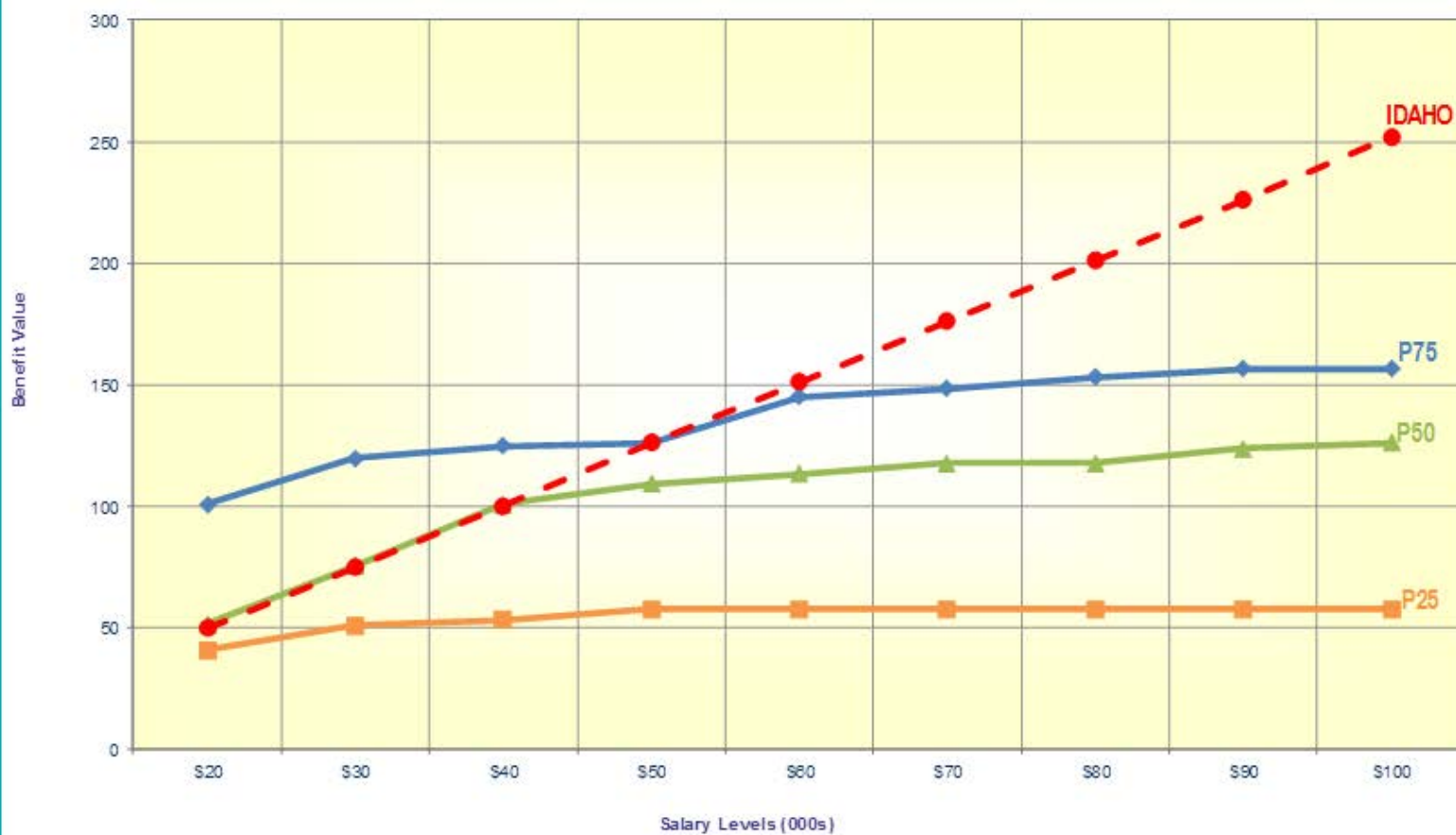
The State's health care program is strong; however, this is also the case for most public sector organizations, where low employee cost sharing continues. The State made only minor changes in premium cost sharing, as did the market, resulting in a similar market position as 2012.

## TOTAL RETIREMENT (DB & DC) MARKET POSITION IDAHO VS. PUBLIC SECTOR MARKET



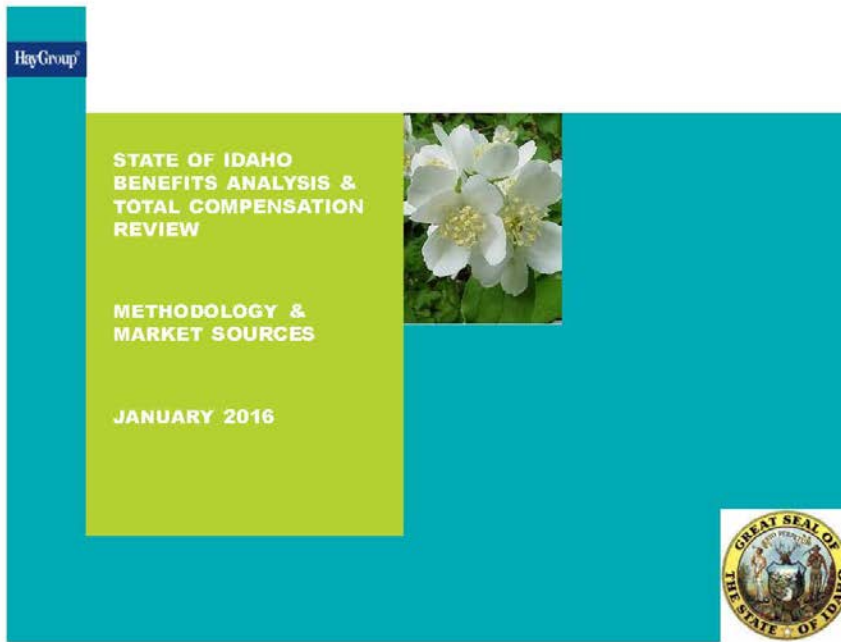
The State's defined benefit pension program is generally aligned with the median of the public sector market where pension plans continue to be prevalent. Higher employee contributions reduce overall value relative to the market.

## LIFE INSURANCE MARKET POSITION IDAHO VS. PUBLIC SECTOR MARKET



The State's basic life insurance benefit of 1 times salary is aligned with market median practice for those earning up to \$40,000 and above market median for those earning more than \$40,000, as public sector organizations continue to provide a flat dollar benefit or a salary based benefit with a very low maximum.

# Appendix H- Hay Total Compensation Analysis- Methodology & Market Sources



## PROCESS

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## METHODOLOGY: JOB EVALUATION

**Determining the intrinsic value of work to the organization using a methodology containing measurement scales of common compensable factors.**

**A process to measure the size of jobs against appropriate and consistent criteria.**

**Focuses on the content of the job as currently designed.**

**Factors not considered in the process:**

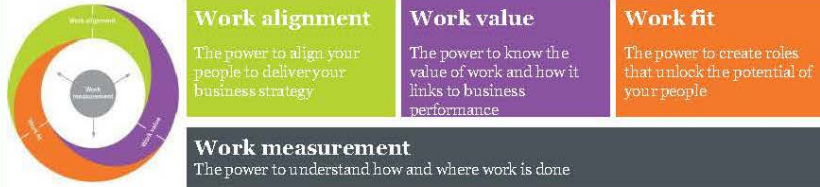
- Individual qualifications, performance and longevity
- Existing pay
- External market (e.g., supply and demand)



**METHODOLOGY:  
JOB EVALUATION**

**Job evaluation principles form the basis for:**

- Clarifying organization structure and job accountabilities
- Ensuring market comparisons and reward are based on organization established job content and size
- Understanding the job-related skills, competencies, and key performance indicators necessary to ensure job incumbents are successful



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**METHODOLOGY:  
JOB EVALUATION**



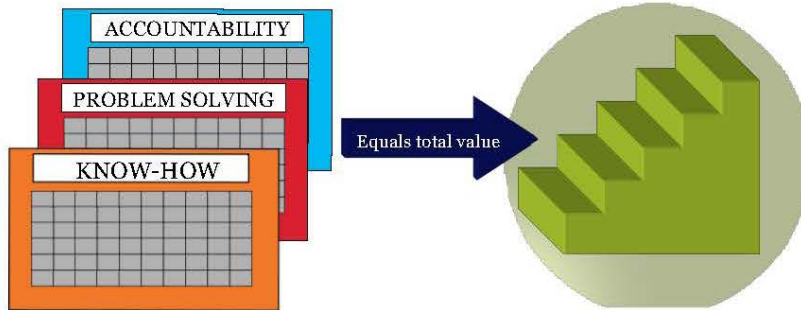
**The Hay Group method uses three universal compensable elements to measure the relative size of jobs**

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**METHODOLOGY:  
JOB EVALUATION**

Evaluation points are used to assign jobs to levels which represent “just perceivable differences” in size

Jobs are clustered into these levels based on their relative complexity, as expressed by job evaluation points.



**METHODOLOGY:  
JOB EVALUATION**

When comparing one job to another, we can review the step difference in each evaluation factor as well as by “level/grade”

50	No step	■ Not a significant / perceptible difference in size
57		
66	One step	■ Just noticeable difference, perceived only after careful thought and analysis
76		
87	Two steps	■ Clear difference, quite evident after some consideration / analysis
100		
115		
132	Three steps	■ Very obvious difference, needing little or no consideration
152		

## Appendix I- Payline Exception/ Specific Occupational Inequities

Note: A payline exception occurs when a higher pay grade is assigned to a job class, generally due to recruitment or retention issues. Payline exceptions are approved by the Administrator of the Division of Human Resources in accordance with §67-5309D (5), Idaho Code, which states that "When necessary to obtain or retain qualified personnel in a particular classification, upon petition of the department to the administrator containing acceptable reasons therefore, a higher temporary pay grade may be authorized by the administrator which, if granted, shall be reviewed annually to determine the need for continuance."

Class Code	Title	Number of Classified Employees	Pay Grade	Temporary Pay Grade
7203	Clinical Specialist	20	M	N
7433	ISP Forensic Scientist 2	18	K	L
6572	Locksmith	3	G	H
7584	Nurse, Advanced Practice	8	N	O
7476	Pharmacist, Clinical	5	O	Q
7478	Pharmacy Services Specialist	2	M	P
7474	Pharmacy Services Supervisor	3	P	R
7209	Physician, Clinical Director - Community	*	Q	V
7211	Physician, Epidemiologist - State	1	Q	V
7207	Physician, Medical Clinic - Institution	2	Q	V
7208	Physician, Medical Director - Institution	1	R	V
7206	Physician, Psychiatric Specialty	3	Q	V
7205	Physician, Public Health	*	P	V
9406	Psychologist	1	M	O
9402	Psychologist, Chief of	3	O	P
7727	Therapist	1	L	M
7710	Therapist, Early Intervention	11	L	M
4556	Utilities Division Deputy Administrator	1	O	Q
		<b>83</b>	* Hired as Temporary Employees	



## Appendix J- Classified New Hires by Occupational Group and Average Age

OCCUPATIONAL GROUP DESCRIPTION	COUNT OF EMPLOYEE	AGE	PERCENT OF NEW HIRES
ADMINISTRATIVE	446	39.4	23%
ENGINEERING	85	39.4	4%
FINANCE AND ACCOUNTING	86	43.7	4%
HEALTH CARE - MEDICAL	2	62.5	0%
HEALTH CARE - SERVICES	229	35.4	12%
INFORMATION TECHNOLOGY	59	39.3	3%
LABOR TRADES AND CRAFTS	161	40.5	8%
MANAGEMENT SUB GROUP	7	50.1	0%
NURSES	154	38.8	8%
PARA-PROFESSIONAL SUB GROUP	141	37.8	7%
PROFESSIONAL SERVICES	211	41.2	11%
PROTECTIVE SERVICES	310	31.0	16%
SCIENCE/ENVIRONMENTAL	66	33.0	3%
<b>Total</b>	<b>1,956</b>		



## Appendix K- Classified Employees Total Separations by Agency FY2014-FY2016

AGENCY NAME	FY 2016 TURNOVER RATE	FY 2016 SEPARATIONS	JULY 2016 EMPLOYEE COUNT	JULY 2015 EMPLOYEE COUNT	JULY 2014 EMPLOYEE COUNT
ACCOUNTANCY, STATE BOARD OF	40.0%	1	2	3	3
ADMINISTRATION, DEPARTMENT OF	15.1%	18	119	120	120
AGING, COMMISSION ON	8.3%	1	12	12	12
AGRICULTURE, DEPARTMENT OF	19.2%	33	172	171	167
BLIND AND VISUALLY IMPAIRED, COMMISSION FOR THE	8.1%	3	38	36	38
BOISE STATE UNIVERSITY	14.2%	78	546	570	575
BRAND INSPECTOR, STATE	16.7%	5	30	30	28
BUILDING SAFETY, DIVISION OF	5.4%	6	114	107	102
COMMERCE, DEPARTMENT OF	14.7%	5	32	36	33
CONSERVATION, SOIL AND WATER COMMISSION	0.0%	0	17	15	15
CORRECTION, DEPARTMENT OF	15.7%	304	1,927	1,923	1,723
DENTISTRY, BOARD OF	0.0%	0	2	2	1
EASTERN IDAHO TECHNICAL COLLEGE	27.0%	10	35	39	38
EDUCATION, STATE BOARD OF	50.0%	2	5	3	2
ENDOWMENT FUND INVESTMENT BOARD	50.0%	1	2	2	2
ENGINEERS AND LAND SURVEYORS, PROFESSIONAL BOARD OF	0.0%	0	2	2	2
ENVIRONMENTAL QUALITY, DEPARTMENT OF	8.5%	28	336	325	323
FINANCE, DEPARTMENT OF	10.2%	6	60	58	61
FISH AND GAME, DEPARTMENT OF	8.3%	44	529	533	528
HEALTH AND WELFARE, DEPARTMENT OF	14.5%	393	2,705	2,620	2,644
HEALTH DISTRICT 1 (PANHANDLE)	17.5%	19	110	107	108
HEALTH DISTRICT 2 (NORTH CENTRAL)	8.7%	4	48	44	42
HEALTH DISTRICT 3 (SOUTHWEST)	11.2%	10	95	84	82
HEALTH DISTRICT 4 (CENTRAL)	17.0%	19	113	110	108
HEALTH DISTRICT 5 (SOUTH CENTRAL)	16.3%	11	70	65	68
HEALTH DISTRICT 6 (SOUTHEASTERN)	11.2%	8	73	70	75
HEALTH DISTRICT 7 (EASTERN)	24.7%	24	97	94	89
HISPANIC AFFAIRS, IDAHO COMMISSION ON	0.0%	0	1	1	1
HISTORICAL SOCIETY, IDAHO STATE	14.3%	6	43	41	40
HUMAN RESOURCES, DIVISION OF	28.6%	2	8	6	8
IDAHO STATE UNIVERSITY	12.4%	85	684	666	633
INDEPENDENT LIVING COUNCIL	50.0%	1	2	2	3

Appendix K- Classified Employees Total Separations by Agency FY2014-FY2016

INDUSTRIAL COMMISSION	34.7%	26	75	75	77
INSURANCE, DEPARTMENT OF	16.2%	9	57	54	57
JUVENILE CORRECTIONS, DEPARTMENT OF	19.4%	75	388	385	388
LABOR, DEPARTMENT OF	13.5%	73	525	553	580
LANDS, DEPARTMENT OF	14.6%	38	270	249	251
LAVA HOT SPRINGS FOUNDATION	24.0%	3	12	13	12
LEWIS-CLARK STATE COLLEGE	12.7%	16	127	125	124
LIBRARIES, IDAHO COMMISSION FOR	8.8%	3	34	34	32
LIQUOR DIVISION, IDAHO STATE	18.3%	37	204	200	195
LOTTERY COMMISSION, IDAHO STATE	0.0%	0	8	8	9
MEDICINE, BOARD OF	0.0%	0	9	9	8
NURSING, BOARD OF	30.8%	2	6	7	4
OCCUPATIONAL LICENSES, BUREAU OF	9.5%	3	32	31	32
OUTFITTERS AND GUIDES LICENSING BOARD	0.0%	0	4	4	4
PARDONS AND PAROLE, COMMISSION OF	16.1%	5	31	31	29
PARKS AND RECREATION, DEPARTMENT OF	13.4%	19	146	137	134
PERSI (PUBLIC EMPLOYEES RETIREMENT SYSTEM OF IDAHO)	25.9%	14	56	52	53
PHARMACY, BOARD OF	0.0%	0	11	11	10
POLICE, IDAHO STATE	11.2%	54	491	474	478
PROFESSIONAL-TECHNICAL EDUCATION, DIVISION OF	41.7%	5	12	12	11
PUBLIC TELEVISION	5.9%	3	51	50	48
PUBLIC UTILITIES COMMISSION	8.1%	3	38	36	35
RACING, STATE COMMISSION	0.0%	0	2	2	1
REAL ESTATE COMMISSION, IDAHO	10.0%	1	12	8	11
STATE PUBLIC DEFENSE COMMISSION	0.0%	0	1	1	
TAX APPEALS, BOARD OF	0.0%	0	3	3	3
TAX COMMISSION, IDAHO STATE	10.4%	43	415	411	424
TRANSPORTATION, DEPARTMENT OF	10.9%	163	1,488	1,527	1,592
VETERANS SERVICES	36.3%	109	311	289	294
VETERINARY MEDICINE, BOARD OF	0.0%	0	2	1	1
VOCATIONAL REHABILITATION, IDAHO DIVISION OF	24.5%	13	52	54	54
WATER RESOURCES, DEPARTMENT OF	12.5%	17	136	137	131
Totals		1,861	13,038	12,880	12,756



## Appendix L- Classified Employees Voluntary Separations by Agency FY2013-FY2016

AGENCY NAME	5 year average turnover rate	FY2016 Separations	FY 2016 Turnover Rate	FY 2015 Separations	FY 2015 Turnover Rate	FY 2014 Separations	FY 2014 Turnover Rate	FY 2013 Separations	FY 2013 Turnover Rate	FY 2012 Separations	FY 2012 Turnover Rate
ACCOUNTANCY, STATE BOARD OF	0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%
ADMINISTRATION, DEPARTMENT OF	5.90%	8	6.7%	6	5.0%	9	7.6%	5	4.2%	7	5.9%
AGING, COMMISSION ON	8%	1	8.3%	0	0.0%	0	0.0%	0	0.0%	3	31.6%
AGRICULTURE, DEPARTMENT OF	7.90%	18	10.5%	14	8.3%	14	8.4%	13	7.9%	7	4.3%
BLIND AND VISUALLY IMPAIRED, COMMISSION FOR THE	4.20%	1	2.7%	2	5.4%	1	2.6%	2	5.1%	2	5.1%
BOISE STATE UNIVERSITY	7.40%	49	8.9%	46	8.0%	47	7.9%	34	5.8%	38	6.6%
BRAND INSPECTOR, STATE	2.80%	2	6.7%	1	3.5%	1	3.7%	0	0.0%	0	0.0%
BUILDING SAFETY, DIVISION OF	3.20%	2	1.8%	5	4.8%	1	1.0%	2	2.1%	6	6.2%
COMMERCE, DEPARTMENT OF	10.20%	3	8.8%	4	11.6%	5	14.5%	6	16.0%	0	0.0%
CONSERVATION, SOIL AND WATER COMMISSION	11.10%	0	0.0%	2	13.3%	0	0.0%	1	6.9%	3	24.0%
CORRECTION, DEPARTMENT OF	7.70%	149	7.7%	152	8.3%	124	7.5%	124	8.2%	104	6.9%
DENTISTRY, BOARD OF	16.70%	0	0.0%	1	66.7%	0	0.0%	0	0.0%	0	0.0%
EASTERN IDAHO TECHNICAL COLLEGE	9.50%	6	16.2%	1	2.6%	5	13.2%	3	7.8%	3	7.7%
EDUCATION, STATE BOARD OF	25%	1	25.0%	0	0.0%	2	100.0%	0	0.0%	0	0.0%
ENDOWMENT FUND INVESTMENT BOARD	10%	1	50.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%
ENGINEERS AND LAND SURVEYORS, PROFESSIONAL BOARD O	0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%
ENVIRONMENTAL QUALITY, DEPARTMENT OF	4.90%	11	3.3%	17	5.3%	14	4.3%	19	5.8%	19	5.9%
FINANCE, DEPARTMENT OF	4.40%	1	1.7%	4	6.7%	5	8.3%	0	0.0%	3	5.5%
FINANCIAL MANAGEMENT, DIVISION OF	16.7	0	0.0%	0	0.0%	0	0.0%	0	0.0%	1	66.7%
FISH AND GAME, DEPARTMENT OF	3.40%	18	3.2%	14	2.6%	15	2.8%	15	2.8%	18	3.4%
HEALTH AND WELFARE, DEPARTMENT OF	8.00%	198	7.3%	251	9.5%	237	9.0%	189	7.2%	192	7.3%
HEALTH DISTRICT 1 (PANHANDLE)	9.60%	13	12.0%	14	13.0%	11	10.2%	7	6.4%	7	6.5%

Appendix L- Classified Employees Voluntary Separations by Agency FY2013-FY2016 (Cont'd.)

AGENCY NAME	5 year average turnover rate	FY2016 Separations	FY 2016 Turnover Rate	FY 2015 Separations	FY 2015 Turnover Rate	FY 2014 Separations	FY 2014 Turnover Rate	FY 2013 Separations	FY 2013 Turnover Rate	FY 2012 Separations	FY 2012 Turnover Rate
HEALTH DISTRICT 2 (NORTH CENTRAL)	5.20%	1	2.2%	2	4.7%	2	4.8%	3	7.2%	3	7.3%
HEALTH DISTRICT 3 (SOUTHWEST)	6.70%	6	6.7%	4	4.8%	6	7.2%	6	6.9%	7	8.0%
HEALTH DISTRICT 4 (CENTRAL)	8.90%	8	7.2%	9	8.3%	13	11.9%	7	6.4%	12	11.0%
HEALTH DISTRICT 5 (SOUTH CENTRAL)	10.20%	4	5.9%	10	15.0%	9	13.2%	4	5.8%	8	10.9%
HEALTH DISTRICT 6 (SOUTHEASTERN)	6.80%	4	5.6%	7	9.7%	7	9.4%	2	2.7%	5	6.4%
HEALTH DISTRICT 7 (EASTERN)	6%	9	9.4%	8	8.7%	4	4.6%	4	4.7%	2	2.4%
HISPANIC AFFAIRS, IDAHO COMMISSION ON	0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%
HISTORICAL SOCIETY, IDAHO STATE	8.30%	5	11.9%	1	2.5%	3	7.5%	3	7.4%	5	12.0%
HUMAN RESOURCES, DIVISION OF	20.10%	1	14.3%	1	14.3%	3	33.3%	1	11.8%	2	26.7%
IDAHO STATE UNIVERSITY	6%	45	6.7%	31	4.8%	40	6.4%	37	6.0%	39	6.4%
INDEPENDENT LIVING COUNCIL	31.30%	1	50.0%	1	40.0%	0	0.0%	1	33.3%	1	33.3%
INDUSTRIAL COMMISSION	12.80%	16	21.3%	6	7.9%	7	9.3%	13	17.2%	6	8.1%
INSURANCE, DEPARTMENT OF	9.10%	4	7.2%	5	9.0%	9	15.7%	4	6.8%	4	7.0%
JUVENILE CORRECTIONS, DEPARTMENT OF	10%	52	13.4%	45	11.6%	37	9.7%	35	9.2%	23	6.1%
LABOR, DEPARTMENT OF	5.70%	38	7.2%	39	6.9%	27	4.6%	26	4.3%	34	5.5%
LANDS, DEPARTMENT OF	5.80%	21	8.1%	14	5.6%	13	5.3%	10	4.2%	13	5.5%
LAVA HOT SPRINGS FOUNDATION	4.90%	2	16.0%	0	0.0%	1	8.3%	0	0.0%	0	0.0%
LEWIS-CLARK STATE COLLEGE	7.10%	7	5.6%	7	5.6%	15	12.0%	12	9.4%	4	3.1%
LIBRARIES, IDAHO COMMISSION FOR	2.90%	2	5.9%	0	0.0%	1	3.0%	1	2.9%	1	2.8%
LIQUOR DIVISION, IDAHO STATE	7.00%	14	6.8%	19	9.6%	20	10.2%	13	6.7%	3	1.6%
LOTTERY COMMISSION, IDAHO STATE	10.20%	0	0.0%	1	11.8%	1	10.0%	1	9.5%	1	9.5%
MEDICINE, BOARD OF	0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%
NURSING, BOARD OF	28.30%	1	15.4%	2	36.4%	2	40.0%	2	33.3%	1	16.7%
OCCUPATIONAL LICENSES	7.60%	2	6.4%	6	19.1%	0	0.0%	3	9.2%	1	3.2%

Appendix L- Classified Employees Voluntary Separations by Agency FY2013-FY2016 (Cont'd.)

AGENCY NAME	5 year average turnover rate	FY2016 Separations	FY 2016 Turnover Rate	FY 2015 Separations	FY 2015 Turnover Rate	FY 2014 Separations	FY 2014 Turnover Rate	FY 2013 Separations	FY 2013 Turnover Rate	FY 2012 Separations	FY 2012 Turnover Rate
OUTFITTERS AND GUIDES LICENSING BOARD	0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%
PARDONS AND PAROLE, COMMISSION OF	13.90%	4	12.9%	2	6.7%	7	24.6%	5	17.9%	2	7.3%
PARKS AND RECREATION, DEPARTMENT OF	6.60%	7	5.0%	10	7.4%	10	7.4%	10	7.3%	8	5.9%
PERSI (PUBLIC EMPLOYEES RETIREMENT SYSTEM OF IDAHO	5.60%	4	7.4%	7	13.3%	2	3.7%	0	0.0%	2	3.7%
PHARMACY, BOARD OF	0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%
POLICE, IDAHO STATE	4.10%	19	3.9%	27	5.7%	15	3.2%	20	4.4%	15	3.3%
PROFESSIONAL-TECHNICAL EDUCATION, DIVISION OF	17.40%	3	25.0%	0	0.0%	3	28.6%	3	26.1%	1	7.1%
PUBLIC TELEVISION	4.10%	2	4.0%	1	2.0%	1	2.1%	4	8.2%	2	4.1%
PUBLIC UTILITIES COMMISSION	5.70%	2	5.4%	3	8.5%	1	2.9%	1	2.9%	3	8.7%
RACING, STATE COMMISSION	29.20%	0	0.0%	0	0.0%	1	66.7%	1	50.0%	0	0.0%
REAL ESTATE COMMISSION, IDAHO	10.30%	0	0.0%	3	31.6%	0	0.0%	0	0.0%	1	9.5%
STATE PUBLIC DEFENSE COMMISSION		0	0.0%								
TAX APPEALS, BOARD OF	10%	0	0.0%	0	0.0%	0	0.0%	0	0.0%	1	40.0%
TAX COMMISSION, IDAHO STATE	5.30%	16	3.8%	25	6.0%	21	5.0%	25	5.9%	23	5.6%
TRANSPORTATION, DEPARTMENT OF	4.1%	67	4.5%	67	4.3%	67	4.2%	69	4.2%	55	3.3%
VETERANS SERVICES	12.30%	54	18.0%	34	11.7%	40	13.4%	37	12.6%	16	5.8%
VETERINARY MEDICINE, BOARD OF	0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%
VOCATIONAL REHABILITATION, IDAHO DIVISION OF	14.90%	7	13.2%	5	9.3%	4	7.4%	14	26.2%	10	18.3%
WATER RESOURCES, DEPARTMENT OF	5.30%	9	6.6%	8	6.0%	12	9.0%	4	2.8%	3	2.1%
Totals		919	10.40%	944	8.20%	895	9.50%	801	7.20%	730	8.00%



## Appendix M- Classified Employees Involuntary Separations by Agency FY2013-FY2016

AGENCY NAME	4 year Average turnover rate	FY 2016 Separations	FY 2016 Turnover Rate	FY 2015 Separations	FY 2015 Turnover Rate	FY 2014 Separations	FY 2014 Turnover Rate
ACCOUNTANCY, STATE BOARD OF	0.0%	0	0.0%	0	0.0%	0	0.0%
ADMINISTRATION, DEPARTMENT OF	3.0%	3	2.5%	5	4.3%	2	1.7%
AGING, COMMISSION ON	0.0%	0	0.0%	0	0.0%	0	0.0%
AGRICULTURE, DEPARTMENT OF	2.2%	4	2.3%	3	1.8%	8	4.8%
BLIND AND VISUALLY IMPAIRED, COMMISSION FOR THE	2.1%	2	5.4%	1	2.8%	0	0.0%
BOISE STATE UNIVERSITY	2.3%	19	3.4%	10	1.8%	13	2.2%
BRAND INSPECTOR, STATE	3.4%	3	10.0%	0	0.0%	0	0.0%
BUILDING SAFETY, DIVISION OF	2.2%	1	0.9%	4	3.7%	1	1.0%
COMMERCE, DEPARTMENT OF	2.2%	1	2.9%	1	2.8%	1	2.9%
CONSERVATION, SOIL AND WATER COMMISSION	0.0%	0	0.0%	0	0.0%	0	0.0%
CORRECTION, DEPARTMENT OF	3.4%	121	6.3%	19	1.0%	46	2.8%
DENTISTRY, BOARD OF	0.0%	0	0.0%	0	0.0%	0	0.0%
EASTERN IDAHO TECHNICAL COLLEGE	3.9%	1	2.7%	4	10.3%	1	2.6%
EDUCATION, STATE BOARD OF	6.3%	1	25.0%	0	0.0%	0	0.0%
ENDOWMENT FUND INVESTMENT BOARD	0.0%	0	0.0%	0	0.0%	0	0.0%
ENGINEERS AND LAND SURVEYORS, PROFESSIONAL BOARD O	0.0%	0	0.0%	0	0.0%	0	0.0%
ENVIRONMENTAL QUALITY, DEPARTMENT OF	0.6%	5	1.5%	1	0.3%	1	0.3%
FINANCE, DEPARTMENT OF	0.8%	2	3.4%	0	0.0%	0	0.0%
FINANCIAL MANAGEMENT, DIVISION OF	0.0%	0	0.0%	0	0.0%	0	0.0%
FISH AND GAME, DEPARTMENT OF	0.7%	9	1.7%	1	0.2%	2	0.4%
HEALTH AND WELFARE, DEPARTMENT OF	3.5%	123	4.6%	60	2.3%	92	3.5%
HEALTH DISTRICT 1 (PANHANDLE)	24.4%	5	4.6%	1	90.0%	3	2.8%
HEALTH DISTRICT 2 (NORTH CENTRAL)	0.5%	1	2.2%	0	0.0%	0	0.0%
HEALTH DISTRICT 3 (SOUTHWEST)	1.8%	1	1.1%	1	1.2%	2	2.4%
HEALTH DISTRICT 4 (CENTRAL)	2.5%	7	6.3%	1	0.9%	1	0.9%
HEALTH DISTRICT 5 (SOUTH CENTRAL)	4.0%	6	8.9%	1	1.5%	0	0.0%
HEALTH DISTRICT 6 (SOUTHEASTERN)	2.4%	3	4.2%	2	2.9%	1	1.3%
HEALTH DISTRICT 7 (EASTERN)	5.4%	13	13.6%	1	1.1%	1	1.1%
HISPANIC AFFAIRS, IDAHO COMMISSION ON	0.0%	0	0.0%	0	0.0%	0	0.0%
HISTORICAL SOCIETY, IDAHO STATE	0.8%	0	0.0%	0	0.0%	0	0.0%

Appendix M- Classified Employees Involuntary Separations by Agency FY2013-FY2016 (Cont'd.)

AGENCY NAME	4 year Average turnover rate	FY 2016 Separations	FY 2016 Turnover Rate	FY 2015 Separations	FY 2015 Turnover Rate	FY 2014 Separations	FY 2014 Turnover Rate
HUMAN RESOURCES, DIVISION OF	3.6%	1	14.3%	0	0.0%	0	0.0%
IDAHO STATE UNIVERSITY	1.7%	25	3.7%	2	0.3%	7	1.1%
INDEPENDENT LIVING COUNCIL	0.0%	0	0.0%	0	0.0%	0	0.0%
INDUSTRIAL COMMISSION	3.0%	6	8.0%	0	0.0%	1	1.3%
INSURANCE, DEPARTMENT OF	2.2%	2	3.6%	1	1.9%	1	1.7%
JUVENILE CORRECTIONS, DEPARTMENT OF	2.5%	15	3.9%	5	1.3%	10	2.6%
LABOR, DEPARTMENT OF	2.1%	13	2.4%	5	0.9%	11	1.9%
LANDS, DEPARTMENT OF	1.0%	6	2.3%	4	1.6%	0	0.0%
LAVA HOT SPRINGS FOUNDATION	0.0%	0	0.0%	0	0.0%	0	0.0%
LEWIS-CLARK STATE COLLEGE	3.8%	8	6.4%	2	1.6%	6	4.8%
LIBRARIES, IDAHO COMMISSION FOR	1.0%	0	0.0%	0	0.0%	1	3.0%
LIQUOR DIVISION, IDAHO STATE	4.8%	19	9.4%	5	2.5%	8	4.1%
LOTTERY COMMISSION, IDAHO STATE	0.0%	0	0.0%	0	0.0%	0	0.0%
MEDICINE, BOARD OF	0.0%	0	0.0%	0	0.0%	0	0.0%
NURSING, BOARD OF	6.7%	0	0.0%	0	0.0%	1	20.0%
OCCUPATIONAL LICENSES, BUREAU OF	2.1%	0	0.0%	0	0.0%	1	3.1%
OUTFITTERS AND GUIDES LICENSING BOARD	0.0%	0	0.0%	0	0.0%	0	0.0%
PARDONS AND PAROLE, COMMISSION OF	2.6%	1	3.2%	0	0.0%	1	3.5%
PARKS AND RECREATION, DEPARTMENT OF	0.7%	4	2.8%	0	0.0%	0	0.0%
PERSI (PUBLIC EMPLOYEES RETIREMENT SYSTEM OF IDAHO)	4.2%	6	11.1%	0	0.0%	2	3.7%
PHARMACY, BOARD OF	3.3%	0	0.0%	0	0.0%	1	10.0%
POLICE, IDAHO STATE	1.7%	17	3.5%	4	0.8%	7	1.5%
PROFESSIONAL-TECHNICAL EDUCATION, DIVISION OF	2.1%	1	8.3%	0	0.0%	0	0.0%
PUBLIC TELEVISION	0.7%	0	0.0%	0	0.0%	0	0.0%
PUBLIC UTILITIES COMMISSION	0.9%	0	0.0%	1	2.8%	0	0.0%
RACING, STATE COMMISSION	0.0%	0	0.0%	0	0.0%	0	0.0%
REAL ESTATE COMMISSION, IDAHO	5.6%	1	10.0%	1	12.5%	0	0.0%
STATE PUBLIC DEFENSE COMMISSION		0	0.0%				
TAX APPEALS, BOARD OF	0.0%	0	0.0%	0	0.0%	0	0.0%

Appendix M- Classified Employees Involuntary Separations by Agency FY2013-FY2016 (Cont'd.)

AGENCY NAME	4 year Average turnover rate	FY 2016 Separations	FY 2016 Turnover Rate	FY 2015 Separations	FY 2015 Turnover Rate	FY 2014 Separations	FY 2014 Turnover Rate
TAX COMMISSION, IDAHO STATE	1.6%	9	2.2%	3	0.7%	6	1.4%
TRANSPORTATION, DEPARTMENT OF	1.7%	26	1.7%	30	2.0%	26	1.6%
VETERANS SERVICES	8.8%	50	16.7%	15	5.2%	18	6.0%
VETERINARY MEDICINE, BOARD OF	55.6%	0	0.0%	1	100.0%	1	66.7%
VOCATIONAL REHABILITATION, IDAHO DIVISION OF	4.2%	5	9.4%	0	0.0%	2	3.7%
WATER RESOURCES, DEPARTMENT OF	1.6%	4	2.9%	1	0.7%	1	0.7%
<b>Overall - Total</b>	<b>3.3%</b>	<b>550</b>	<b>5.8%</b>	<b>196</b>	<b>4.1%</b>	<b>287</b>	<b>2.7%</b>





## Appendix N- Retirement Forecast Calendar Years 2016 to 2025

Agency	Less than 5 years	5 to 9 years	10 to 19 years	20 to 29 years	30 or more years
ACCOUNTANCY, STATE	1	2	7	0	1
ADMINISTRATION, DEPARTMENT OF	17	21	48	39	6
AGING, COMMISSION ON	3	2	13	2	1
AGRICULTURE, DEPARTMENT OF	40	31	68	99	82
BLIND AND VISUALLY IMPAIRED, COMMISSION FOR THE	4	5	19	13	3
BOISE STATE UNIVERSITY	0	0	1	4	2488
BRAND INSPECTOR, STATE	17	5	13	5	20
BUILDING SAFETY, DIVISION OF	15	23	65	34	54
COMMERCE, DEPARTMENT OF	2	3	17	20	9
CONSERVATION, SOIL AND WATER COMMISSION	3	1	8	4	6
CORRECTION, DEPARTMENT OF	190	222	728	779	35
DENTISTRY, BOARD OF	1	0	0	3	9
EASTERN IDAHO TECHNICAL COLLEGE	7	13	38	45	389
EDUCATION, STATE BOARD OF	1	5	17	15	5
ENDOWMENT FUND INVESTMENT BOARD	0	2	3	1	3
ENGINEERS AND LAND SURVEYORS, PROFESSIONAL BOARD OF	0	2	7	1	4
ENVIRONMENTAL QUALITY, DEPARTMENT OF	52	56	124	112	23
FINANCE, DEPARTMENT OF	9	9	19	21	8
FISH AND GAME, DEPARTMENT OF	112	82	202	193	222
HEALTH AND WELFARE, DEPARTMENT OF	214	269	900	1192	373
HEALTH DISTRICT 1 (PANHANDLE)	10	12	42	57	16
HEALTH DISTRICT 2 (NORTH CENTRAL)	5	8	23	20	6
HEALTH DISTRICT 3 (SOUTHWEST)	5	13	37	32	24
HEALTH DISTRICT 4 (CENTRAL)	7	13	45	42	38
HEALTH DISTRICT 5 (SOUTH CENTRAL)	8	11	27	23	24
HEALTH DISTRICT 6 (SOUTHEASTERN)	6	11	30	23	22
HEALTH DISTRICT 7 (EASTERN)	3	14	36	35	35
HISPANIC AFFAIRS, IDAHO COMMISSION ON	0	1	2	0	0
HISTORICAL SOCIETY, IDAHO STATE	7	1	16	18	30
HUMAN RESOURCES, DIVISION OF	1	2	3	2	5
IDAHO STATE UNIVERSITY	1	0	3	0	1,989
INDEPENDENT LIVING COUNCIL	0	1	2	0	1
INDUSTRIAL COMMISSION	16	25	39	39	16

Appendix N- Retirement Forecast Calendar Years 2016 to 2025 (Cont'd.)

Agency	Less than 5 years	5 to 9 years	10 to 19 years	20 to 29 years	30 or more years
INSURANCE, DEPARTMENT OF	8	12	27	18	14
JUVENILE CORRECTIONS, DEPARTMENT OF	27	37	150	140	50
LABOR, DEPARTMENT OF	74	101	219	132	39
LANDS, DEPARTMENT OF	42	40	130	129	48
LAVA HOT SPRINGS FOUNDATION	2	1	5	6	35
LEWIS-CLARK STATE COLLEGE	52	58	154	161	669
LIBRARIES, IDAHO COMMISSION FOR	9	7	14	5	6
LIQUOR DIVISION, IDAHO STATE	13	39	71	70	174
LOTTERY COMMISSION, IDAHO STATE	5	4	20	17	7
MEDICINE, BOARD OF	1	0	10	5	35
NURSING, BOARD OF	3	1	15	2	0
OCCUPATIONAL LICENSES, BUREAU OF	6	7	21	8	125
OUTFITTERS AND GUIDES LICENSING BOARD	0	0	6	1	10
PARDONS AND PAROLE, COMMISSION OF	6	7	14	6	5
PARKS AND RECREATION, DEPARTMENT OF	24	25	72	38	87
PERSI (PUBLIC EMPLOYEES RETIREMENT SYSTEM OF IDAHO)	8	9	31	16	2
PHARMACY, BOARD OF	0	3	6	5	6
POLICE, IDAHO STATE	56	73	184	153	48
PROFESSIONAL-TECHNICAL EDUCATION, DIVISION OF	6	4	15	13	3
PUBLIC TELEVISION	14	10	24	11	45
PUBLIC UTILITIES COMMISSION	13	7	17	10	3
RACING, STATE COMMISSION	1	1	0	1	9
REAL ESTATE COMMISSION, IDAHO	1	0	7	4	5
STATE PUBLIC DEFENSE COMMISSION	0	0	1	2	1
TAX APPEALS, BOARD OF	1	1	2	1	3
TAX COMMISSION, IDAHO STATE	65	65	169	118	52
TRANSPORTATION, DEPARTMENT OF	266	241	553	361	115
VETERANS SERVICES	23	37	121	117	62
VETERINARY MEDICINE, BOARD OF	0	0	2	0	11
VOCATIONAL REHABILITATION, IDAHO DIVISION OF	10	21	58	55	9
WATER RESOURCES, DEPARTMENT OF	27	13	56	46	23
<b>Totals</b>	<b>1520</b>	<b>1689</b>	<b>4776</b>	<b>4524</b>	<b>7648</b>

## Appendix O- Retirement Classified Turnover FY2016

Agency Name	July 2016 Employee Count	FY2016 Retirements
ACCOUNTANCY, STATE BOARD OF	2	1
ADMINISTRATION, DEPARTMENT OF	119	7
AGING, COMMISSION ON	12	0
AGRICULTURE, DEPARTMENT OF	172	11
BLIND AND VISUALLY IMPAIRED, COMMISSION FOR THE	38	0
BOISE STATE UNIVERSITY	546	7
BRAND INSPECTOR, STATE	30	0
BUILDING SAFETY, DIVISION OF	114	3
COMMERCE, DEPARTMENT OF	32	1
CONSERVATION, SOIL AND WATER COMMISSION	17	0
CORRECTION, DEPARTMENT OF	1,927	33
DENTISTRY, BOARD OF	2	0
EASTERN IDAHO TECHNICAL COLLEGE	35	3
EDUCATION, STATE BOARD OF	5	0
ENDOWMENT FUND INVESTMENT BOARD	2	0
ENGINEERS AND LAND SURVEYORS, PROFESSIONAL BOARD O	2	0
ENVIRONMENTAL QUALITY, DEPARTMENT OF	336	12
FINANCE, DEPARTMENT OF	60	3
FINANCIAL MANAGEMENT, DIVISION OF		1
FISH AND GAME, DEPARTMENT OF	529	18
HEALTH AND WELFARE, DEPARTMENT OF	2,705	69
HEALTH DISTRICT 1 (PANHANDLE)	110	1
HEALTH DISTRICT 2 (NORTH CENTRAL)	48	1
HEALTH DISTRICT 3 (SOUTHWEST)	95	3
HEALTH DISTRICT 4 (CENTRAL)	113	4
HEALTH DISTRICT 5 (SOUTH CENTRAL)	70	1
HEALTH DISTRICT 6 (SOUTHEASTERN)	73	1
HEALTH DISTRICT 7 (EASTERN)	97	1
HISPANIC AFFAIRS, IDAHO COMMISSION ON	1	0
HISTORICAL SOCIETY, IDAHO STATE	43	1
HUMAN RESOURCES, DIVISION OF	8	0
IDAHO STATE UNIVERSITY	684	13
INDEPENDENT LIVING COUNCIL	2	0
INDUSTRIAL COMMISSION	75	4
INSURANCE, DEPARTMENT OF	57	3
JUVENILE CORRECTIONS, DEPARTMENT OF	388	9
LABOR, DEPARTMENT OF	525	23
LANDS, DEPARTMENT OF	270	11
LAVA HOT SPRINGS FOUNDATION	12	1
LEWIS-CLARK STATE COLLEGE	127	1
LIBRARIES, IDAHO COMMISSION FOR	34	1
LIQUOR DIVISION, IDAHO STATE	204	6
LOTTERY COMMISSION, IDAHO STATE	8	0
MEDICINE, BOARD OF	9	0
URSING, BOARD OF	6	1
OCCUPATIONAL LICENSES, BUREAU OF	32	1

Appendix O- Retirement Classified Turnover FY2016 (Cont'd.)

Agency Name	July 2016 Employee Count	FY2016 Retirements
OUTFITTERS AND GUIDES LICENSING BOARD	4	0
PARDONS AND PAROLE, COMMISSION OF	31	0
PARKS AND RECREATION, DEPARTMENT OF	146	8
PERSI (PUBLIC EMPLOYEES RETIREMENT SYSTEM OF IDAHO	56	4
PHARMACY, BOARD OF	11	0
POLICE, IDAHO STATE	491	18
PROFESSIONAL-TECHNICAL EDUCATION, DIVISION OF	12	1
PUBLIC TELEVISION	51	1
PUBLIC UTILITIES COMMISSION	38	1
RACING, STATE COMMISSION	2	0
REAL ESTATE COMMISSION, IDAHO	12	0
STATE PUBLIC DEFENSE COMMISSION	1	0
TAX APPEALS, BOARD OF	3	0
TAX COMMISSION, IDAHO STATE	415	19
TRANSPORTATION, DEPARTMENT OF	1,488	73
VETERANS SERVICES	311	5
VETERINARY MEDICINE, BOARD OF	2	0
VOCATIONAL REHABILITATION, IDAHO DIVISION OF	52	1
WATER RESOURCES, DEPARTMENT OF	136	4
Total		391



